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FBIS-EAS-90-241 CONTENTS *14 December 1990*

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NORTHEAST ASIA

Japan

Nakayama Denies Gulf Aid Used To Buy Arms *[KYODO]* 1
All Nationals in Iraq Expected Home by Christmas *[KYODO]* 1
KYODO Reports on Possible Bush Visit to Tokyo 1
Construction Talks With U.S. Inconclusive *[KYODO]* 2
Gorbachev 3-Day Visit 'Likely' To Begin 15 Apr *[KYODO]* 2
Spokesman Welcomes Gorbachev-No Declaration *[KYODO]* 2
Nakayama Promises Emergency Food Aid to USSR *[KYODO]* 2
Hashimoto Urges G-7 To Discuss Aid to USSR *[KYODO]* 3
USSR Seeks $32 Billion in Soft, Project Loans *[KYODO]* 3
DPRK Party Delegation To Arrive 20 Feb *[KYODO]* 3
Kanemaru Suggests Cabinet Reshuffle by Year End *[Tokyo TV]* 4
Official: Change in Monetary Policy Not Warranted *[KYODO]* 4
'Experts' Call LDP Tax Proposal 'Toothless' *[KYODO]* 4
Oil Industry Welcomes OPEC Agreement *[KYODO]* 5
EPA Head Criticizes BOJ Monetary Policy *[KYODO]* 6

North Korea

Further on Continuing High-Level Talks in Seoul 6
    Spokesman Gives Briefing *[KCNA]* 6
    Delegation Leaves Seoul *[KCNA]* 7
    Spokesman on Departure *[Pyongyang Radio]* 7
    Commentary on South's Attitude *[Pyongyang Radio]* 8
    South's Stance Termed 'Wrong' *[KCNA]* 9
South Assailed for Blocking Reporters' Meeting *[KCNA]* 10
South University Students Welcome Reporters *[KCNA]* 10
    Reporters Relay Letter *[KCNA]* 10
Proposal for Teachers' Rally Supported *[KCNA]* 11
Sports Talks Spokesman Remarks on Delay *[KCNA]* 11
Musicians Gifts to Yim, Mun Refused by Officials *[KCNA]* 12
Foreign Leaders Support Reunification Proposals *[KCNA]* 12
'Dastardly' Anticommunist Slogans in Seoul Decried *[KCNA]* 12
KCNA Reports U.S. Aerial Exercises Over South 13
    U.S. 'Espionage' in North *[KCNA]* 13
Daily Comments on U.S. Forces Reinforcement *[KCNA]* 13
Kim Pok-sin Meets Russian Republic Delegation *[KCNA]* 14
Soviet Ambassador Says Farewell to Kim Yong-nam *[KCNA]* 14
Pyongyang Radio: Soviets Denounce Restructuring 14
Fact Finding Group on Koreans Formed in Osaka *[KCNA]* 14
Koreans in Japan Urge Early Normalization of Ties *[KCNA]* 14
Kim Il-song Sends Greeting to MPLA Leader *[KCNA]* 15
Birthday Greetings Sent to Lao Official *[KCNA]* 15
Cuban Embassy Hosts Anniversary Reception *[KCNA]* 15
Han Song-yong Visits Sariwon Construction Site *[Pyongyang Radio]* 15
Daily Stresses Sariwon Potash Construction *[Pyongyang Radio]* 16
Kim Chong-il Sends Consumer Goods Samples *[KCNA]* 17
Seminar Held on Kim Il-song Work Noted *[KCNA]* 18
KCNA Reviews 14 Dec Pyongyang Press 18

South Korea

Reportage on President No Tae-u's Moscow Visit ... 19
  President No Departs 13 Dec *[YONHAP]* ... 19
  Paper Previews Visit *[HANGYORE SINMUN 12 Dec]* ... 19
  No's Visit to Moscow Hailed *[THE KOREA TIMES 14 Dec]* ... 20
  Significance of Visit Viewed *[HANGUK ILBO 13 Dec]* ... 21
Reportage on No Tae-u's Moscow Visit *[cross-reference]* ... 22
Report Cited on Possible Gorbachev Visit in Feb *[THE KOREA TIMES 14 Dec]* ... 22
N. Delegation Departs Following 'Fruitless' Talks *[YONHAP]* ... 22
N. Spokesman 'Ominous' on Next Round of Talks *[YONHAP]* ... 22
Agents Assault Newsman Covering North Visit *[SEOUL SINMUN 14 Dec]* ... 23
Reverend Mun Reportedly Under House Arrest *[HANGYORE SINMUN 14 Dec]* ... 23
Seoul To Form Research Group on North's Economy *[THE KOREA TIMES 14 Dec]* ... 24
Two TV Producers Charged With Contacting North *[THE KOREA HERALD 12 Dec]* ... 24
Two North Koreans Try To Defect by Ship *[THE KOREA HERALD 12 Dec]* ... 24
Chinese Firms Seek Joint Ventures With South *[THE KOREA HERALD 13 Dec]* ... 24
Daewoo, British Aerospace Sign Tech Package *[THE KOREA TIMES 12 Dec]* ... 25
Cuba, North To Compete in Baseball Tourney *[YONHAP]* ... 25
No Receives Soviet, Sudanese, Norwegian Envoys *[YONHAP]* ... 25
Ministry To 'Pour' Funds Into Agriculture *[YONHAP]* ... 25
*Measures Taken or Planned for UR Negotiations *[MAEIL KYONGJE SINMUN 15 Oct]* ... 26

SOUTHEAST ASIA

Burma

More on NLD-DAB Alternative Government Plans *[London International]* ... 29
Four-Part Series on Guo Gan Drug Lords Begins ... 29
  Want 'Out' of Narcotics Trade *[Hong Kong TV]* ... 29
  Drug Lord Profiled, Interviewed *[Hong Kong TV]* ... 30
  Private Armies Spotlighted ... 30
Diplomatic Relations Established With Venezuela *[Rangoon Radio]* ... 31

Brunei, Malaysia & Singapore

Singapore

Deputy Premier on ASEAN Economic Growth *[THE STRAITS TIMES 12 Dec]* ... 31
Economic Situation Facing New Leadership Viewed *[AFP]* ... 32

Cambodia

Commentary: 'Other Side' Opposes UN Peace Plan *[Phnom Penh Radio]* ... 33
Thai Foreign Ministry Discusses Reconvening SNC *[Bangkok THE NATION 14 Dec]* ... 34
Radio Derides Announcement on National Councils *[Phnom Penh Radio]* ... 35
Hun Sen Awarded Associate Degree in Hanoi *[SPK]* ... 36
Heng Samrin Attends Gathering in Prey Veng *[Phnom Penh Radio]* ... 36
Agriculture Minister Attends Koh Kong Meeting *[Phnom Penh Radio]* ... 36
  Visits Kompong Som *[Phnom Penh Radio]* ... 36
Aid Brings Influx of Refugees to Northwest Camp *[AFP]* ... 37
Phnom Penh Sums Up Week's Military Activities *[Phnom Penh Radio]* ... 37
Radio Summarizes 186th Division's Counterattacks *[Phnom Penh Radio]* ... 38
Successful Attacks in Kompong Thom Reported *[Phnom Penh Radio]* ... 38
Enemy Casualties in Northwest Provinces Reported *[SPK]* ... 38

Indonesia

Editorial Discusses Tasks of New Press Council *[SUARA PEMBARUAN 29 Nov]* ... 38
Organizations Lament Human Rights Violations *[AFP]* ... 39

Laos

Further Reportage on Kaysone Birthday Activities 39
  Receives Greetings From SRV *[KPL]* 39
  Ceremony at Council Hall *[Vientiane Radio]* 40
Soviet Ambassador Conferred With Friendship Order *[KPL]* 40
Japanese Agency Aids Expanded Vaccination Program *[KPL]* 40
French-Sponsored Health Seminar Concludes *[KPL]* 40

Philippines

Li Peng Opposes U.S. Bases in Philippines *[AFP]* 40
  Further on Li Peng Remarks *[Manila Radio]* 41
  Li Pledges Sale of Oil, Bus Donation *[Manila Radio]* 41
  Li's Activities Previewed *[KYODO]* 42
  Aquino Backs One-China Policy *[Quezon City Radio]* 42
Aquino Signs National Police Bill *[Manila Radio]* 42
Columnist Urges Immediate Aquino Resignation *[BUSINESS WORLD 14 Dec]* 43
Sources: Aquino Accepts Concepcion Resignation *[THE MANILA CHRONICLE 14 Dec]* 44
Manglapus: Bases Treaty 'Likely' by January *[PHILIPPINES NEWSDAY 13 Dec]* 44
  Importance of Bases Compensation Noted *[Quezon City Radio]* 45
  Amerasians Want Inclusion in Talks *[THE MANILA CHRONICLE 14 Dec]* 45
Government Urges Iraq To Leave Kuwait *[PHILIPPINE NEWSDAY 14 Dec]* 46
Medical Mission To Leave for Saudi Arabia 15 Dec *[Manila Radio]* 46
Congress To Tackle Five Urgent Tax Bills *[THE MANILA CHRONICLE 14 Dec]* 47
Monetary Policy To Remain Tight *[BUSINESS WORLD 13 Dec]* 48
Malacanang Asks for Subsidized Petrol Prices *[Manila Radio]* 48
Major Military Changes Expected in 1991 *[PHILIPPINES NEWSDAY 12 Dec]* 48
Press Official Overviews Peace Negotiations *[PHILIPPINES NEWSDAY 13 Dec]* 49
14 Muslim Rebels Surrender *[MANILA BULLETIN 13 Dec]* 49

Thailand

U.S. Help Sought in Saudi Evacuation Plans *[Bangkok Radio]* 50
Solidarity, Prachakon Thai To Join Coalition *[THE NATION 14 Dec]* 50
Democrats' Decision To Leave Coalition Viewed *[THE NATION 14 Dec]* 51
Military Chiefs Continue Chatchai Boycott *[THE NATION 13 Dec]* 52
Government Spokesman Suwit Yotmani Resigns *[Bangkok Radio]* 53
Burmese Official Silent on Alternative Government *[AFP]* 53
Prospects for Restoring U.S.-SRV Ties Viewed *[Radio VOFA]* 54
Japanese To Assist in Nuclear Research *[Bangkok Radio]* 55

Vietnam

Vietnam, Iraq Sign Consular Affairs Agreement *[Hanoi Radio]* 55
Eighth National Assembly Session Continues 55
  Communique 'No. 7' Issued *[Hanoi Radio]* 55
  More on 13 Dec Plenary Session *[Hanoi Radio]* 55
  13 Dec Proceedings Updated *[Hanoi Radio]* 56
Regional Commander Views Mekong Delta Defense *[Hanoi Radio]* 57
Party Leader Sends Message to Angolan Labor Head *[Hanoi Radio]* 58
Joint Oil Exploration With USSR Updated *[Hanoi Radio]* 59
Oil Company Fulfills 1990 Production Plan *[VNA]* 59
Commercial Cooperation With India Expanded *[VNA]* 59
Radio, Television Transmission Output Increased *[Hanoi Radio]* 59

Japan

Nakayama Denies Gulf Aid Used To Buy Arms

OW1412063890 Tokyo KYODO in English 0614 GMT 14 Dec 90

[Text] Tokyo, Dec. 14 KYODO—Foreign Minister Taro Nakayama on Friday denied an opposition charge that Japan's financial support for U.S.-led multinational forces in the Persian Gulf is being used to purchase weapons or ammunition.

Nakayama told the House of Councillors' Budget Committee there is an understanding between Japan and the countries concerned that the aid must not be used to buy weapons or ammunition. He was responding to Japan Socialist Party member Giichi Tsunoda, who asked how Japan's first batch of 1 billion dollars of financial support for multinational forces is being used.

Prime Minister Toshiki Kaifu and all 20 members of his cabinet were present at the session as the upper chamber began discussions on the 2.28 trillion yen supplementary budget for fiscal 1990, which ends next March 31.

The supplementary budget, which cleared the more powerful House of Representatives on Thursday, contains an additional 1 billion dollars or about 130 billion yen to be provided as support for the multinational forces.

Under an agreement with the six-member Gulf Cooperation Council (GCC) and Japan, the government in Tokyo has or will funnel almost all the 2 billion dollars to a special Japan-GCC account. The GCC comprises the United Arab Emirates, Bahrain, Kuwait, Oman, Qatar, and Saudi Arabia.

Tsunoda asked why the agreement does not specifically rule out possible use of the Japanese funds to finance the purchase by recipient countries of weapons or ammunition.

In reply, the foreign minister said it had not occurred to the government that the Japanese funds might be used for such purposes, and it hoped they would not be. He added that the government can ensure that the funds are disbursed in accordance with its wishes because Ambassador to Saudi Arabia Takashi Onda represents the Japanese Government on a Japan-GCC panel overseeing disbursement of the Japanese aid.

Japan has pledged to provide 2 billion dollars in financial support for the multinational forces and another 2 billion dollars to the so-called front-line states facing enormous economic difficulties in the wake of the United Nations-approved economic sanctions against Iraq following its August 2 invasion and subsequent annexation of Kuwait.

Koichiro Matsuura, head of the Foreign Ministry's North American Affairs Bureau, indicated there had been no request for the aid paid via the GCC to be used to purchase weapons.

Asked about possible transport of arms by vessels or aircraft that are being leased with the use of Japanese funds, Matsuura said the government's stance is that it is not asking for details of what is being transported.

Prime Minister Kaifu, referring to the abortive U.N. peace cooperation bill, which was killed following objections by the opposition, told the session he will keep working to enact another bill providing for direct assistance by Japan in international conflicts.

The aborted bill would have allowed for the sending overseas of noncombat personnel, ships, and aircraft from the Self-Defense Forces and the Maritime Safety Agency.

All Nationals in Iraq Expected Home by Christmas

OW1412044090 Tokyo KYODO in English 0424 GMT 14 Dec 90

[Text] Tokyo, Dec. 14 KYODO—All 42 Japanese nationals remaining in Iraq are expected to leave the country to return home by Christmas, the Foreign Ministry said Friday.

Of the 42 Japanese nationals, 22 have received exit visas from Iraqi authorities, officials quoted the Japanese Embassy in Baghdad as reporting.

The ministry is considering sending a chartered relief plane to Baghdad to pick up the Japanese repatriates, they said.

It is unknown whether the six Japanese nationals now in Kuwait also want to return home, because no contact has been made with them, they said.

KYODO Reports on Possible Bush Visit to Tokyo

OW1312193990 Tokyo KYODO in English 1436 GMT 13 Dec 90

[Text] Tokyo, Dec. 13 KYODO—Japan is planning to invite U.S. President George Bush to Tokyo after his meeting with Soviet President Mikhail Gorbachev in Mosocw in mid-February, Japanese Foreign Ministry sources said Thursday.

The sources said Bush's trip to Tokyo is to be set by early March before Gorbachev's historic trip to Japan in mid-April.

The U.S. President announced Wednesday that he will hold summit talks with Gorbachev in Moscow on February 11-13.

Bush has accepted an official invitation extended by Japanese Prime Minister Toshiki Kaifu in New York on September 29.

But both sides are having trouble setting the date because of the outbreak of the Persian Gulf crisis, the sources said.

During talks with Bush, Kaifu is expected to discuss an array of issues, including Japan-U.S. relations and Western support for Soviet economic reforms.

Also high on the agenda in talks between the two leaders will be a U.S. request for Japan to boost its financial support for the 50,000 U.S. troops in Japan.

Bush last visited Japan in February 1989 to attend the funeral of Emperor Hirohito or Showa.

Construction Talks With U.S. Inconclusive

OW1312194690 Tokyo KYODO in English 1343 GMT 13 Dec 90

[Text] Tokyo, Dec. 13 KYODO—Japanese and U.S. officials were divided after trade talks to assess any improvement in the past two years in access to the Japanese construction market, Construction Ministry officials said Thursday.

In the two-day meeting to review a 1988 agreement to boost foreign access to the Japanese construction market, the U.S. side pressed for revisions of the accord to promote further progress, the officials said.

The central point of the U.S. requests is to expand the scope of the agreement to cover all Japanese public works projects.

Washington wants the status of 17 big public works projects designated in the agreement as special cases for helping U.S. firms enter into the Japanese market to be applied to all public works projects, the Japanese officials said.

But Japan refused the request, reiterating its former position that the agreement is transitional in nature and once U.S. companies enter the Japanese market they should be on their own, according to J. Michael Farren, U.S. undersecretary of commerce for international trade.

The two sides decided to meet again in Tokyo from January 23 through 25.

Farren said the outcome of the January meeting will be important as U.S. Trade Representative Carla Hills must decide what actions she will take early next year, probably in January or February, as required by the 1988 Trade Act.

The investigation based on the law has already found that the Japanese construction market is closed to U.S. enterprises due to action or inaction by the Japanese Government.

The U.S. decision on retaliation has been pending until the completion of the review of the 1988 agreement.

Hills will be under great pressure from Congress to take retaliatory actions if the January bilateral meeting fails to produce satisfactory results, Farren said.

Gorbachev 3-Day Visit 'Likely' To Begin 15 Apr

OW1412125490 Tokyo KYODO in English 1246 GMT 14 Dec 90

[Text] Moscow, Dec. 14 KYODO—Soviet President Mikhail Gorbachev is most likely to arrive in Japan on April 15, Soviet Government sources said Friday.

The sources said the Soviet Government is planning for the visit to begin April 15 for a maximum of three days.

Spokesman Welcomes Gorbachev-No Declaration

OW1412134690 Tokyo KYODO in English 1335 GMT 14 Dec 90

[Text] Tokyo, Dec. 14 KYODO—The Japanese Government welcomed a joint declaration signed Friday by South Korean President No Tae-u and Soviet President Mikhail Gorbachev.

The declaration has "historical significance and will help relax tensions in the Korean peninsula," Foreign Ministry Spokesman Taizo Watanabe said.

The closer relations between the Soviet Union and South Korea will help open North Korea's door and exert a favorable influence on inter-Korean talks and negotiations between Japan and North Korea aimed at establishing diplomatic ties, Foreign Ministry sources said.

A top Foreign Ministry offical said relations between the Soviet Union and South Korea and between Japan and North Korea will continue to make progess.

Nakayama Promises Emergency Food Aid to USSR

OW1412130490 Tokyo KYODO in English 1254 GMT 14 Dec 90

[Text] Tokyo, Dec. 14 KYODO—Foreign Minister Taro Nakayama said Friday that Japan plans to extend emergency food aid to the Soviet Union, possibly in January or February.

Nakayama made the remarks at a session of the Budget Committee of the House of Councillors.

He was responding to questions posed by Takakatsu Tsushima, a member of the no. 1 opposition Japan Socialist Party (JSP), who called on the government to offer emergency food and medical aid to the Soviet Union.

Nakayama said Japan plans to provide medical supplies worth up to 500 million yen to the country.

The extending of emergency medical and food aid to Moscow would be favorable for the future of the two countries, Nakayama said.

Prime Minister Toshiki Kaifu told the same session that Japan will assist the Soviet Union from a humanitarian standpoint, as a neighbor.

Meanwhile, Takako Doi, JSP chairwoman, visited Soviet Ambassador to Japan Lyudvig Chizhov the same day to present 16,000 packs of instant Chinese-type noodles as food aid to the Soviet Union.

The JSP plans to send another 100,000 packs of instant Chinese noodles by the end of this year.

The Japanese Red Cross Society has also decided to offer emergency medical supplies to the Soviet Union, officials said. The society will send medicine and blood plasma worth 100 million yen and two staffers to the country on December 22, the officials said.

Hashimoto Urges G-7 To Discuss Aid to USSR

OW1412024890 Tokyo KYODO in English 0238 GMT 14 Dec 90

[Text] Tokyo, Dec. 14 KYODO—The Group of Seven (G-7) industrialized nations should discuss the problem of economic assistance to the Soviet Union which is facing food supply difficulties, Finance Minister Ryutaro Hashimoto told reporters Friday.

Hashimoto made the remark while commenting on reports on the Soviet economic realities expected to be completed by the International Monetary Fund (IMF) and other international organizations later this month.

The G-7 nations should talk on the forthcoming reports, but when and on what level they should hold discussions will be decided later, Hashimoto said in a press conference after a regular cabinet session.

A senior official at the Finance Ministry, meanwhile, recalled that the G-7 nations' leaders have already agreed in their annual summit talks to discuss the issue on the basis of the forthcoming reports. He hinted that the G-7 nations will take up economic assistance to the Soviet Union probably at a meeting of their finance ministers and central bank governors, expected to take place around next month.

USSR Seeks $32 Billion in Soft, Project Loans

OW1312234490 Tokyo KYODO in English 1253 GMT 13 Dec 90

[Text] Tokyo, Dec. 13 KYODO—The Soviet Union wants Japan to pick up a share of the estimated 18 billion rubles worth of foreign funds needed over the medium term to break out of its downward economic spiral, Soviet diplomatic sources here said Thursday.

The sources, who spoke on condition of anonymity, said Soviet economic experts estimate the country needs some 8 billion rubles in soft loans and 10 billion rubles in project loans from foreign creditors to get back on its feet.

At the official exchange rate, the 18 billion rubles amount to about 32.2 billion dollars—14.3 billion dollars in soft loans and 17.9 billion dollars in project loans. Soft loans carry very low interest rates and longer repayment periods than normal loans.

While welcoming Japan's recent decision to extend emergency medical assistance and possibly food assistance to tide the Soviet people over the grueling winter season, the diplomats said longer-term assistance was needed to head off future economic problems.

They said any soft loans received from Japan or other countries would initially be used to purchase foodstuffs and basic commodities, which are now in critically short supply.

The diplomats suggested such low-interest loans could be repaid over 3-5 years.

The sources said the Soviet Union needs project loans, which carry less generous terms, to develop energy resources such as oil and coal, raise the efficiency of the country's oil refining industry, improve its dilapidated infrastructure, and boost light industrial production.

The diplomats were reluctant to suggest what share of the funds Japan might provide.

Last July at the Houston summit of seven major economic powers, Japan refused to go along with a French-Italian-West German initiative to extend government-based financial aid to Moscow.

Japan has pursued a policy of loosely linking its degree of economic cooperation with the Soviet Union to the pace of progress in the political arena of bilateral relations.

The Japanese Government says full-fledged economic cooperation is conditional upon the signing of a peace treaty which provides for the transfer of four Soviet-occupied islands off Hokkaido, seized by the Soviets at the end of World War II.

Japan has long called for the return of Etorofu, Kunashiri, Shikotan and the Habomai group of islands.

DPRK Party Delegation To Arrive 20 Feb

OW1412092890 Tokyo KYODO in English 0853 GMT 14 Dec 90

[Text] Tokyo, Dec. 14 KYODO—A delegation from the (North) Korean Workers' Party will arrive in Japan on February 20 at the invitation of the ruling Liberal Democratic Party (LDP) and opposition Japan Socialist Party (JSP), officials said.

The delegation, led by Kim Yong-sun, party secretary in charge of international affairs, is scheduled to stay in Japan for about one week, the officials said.

The Japanese and North Korean parties issued a joint declaration in Pyongyang in late September calling on both governments to normalize relations as soon as possible.

Kanemaru Suggests Cabinet Reshuffle by Year End

OW1412081790 Tokyo NHK General Television Network in Japanese 1000 GMT 13 Dec 90

[Text] On 13 December, former Deputy Prime Minister Kanemaru suggested that Prime Minister Kaifu reshuffle the cabinet before the end of the year. Mr. Kanemaru is now chairman of a Liberal Democratic Party [LDP] faction once led by former Prime Minister Takeshita.

Mr. Kanemaru suggested that Mr. Kaifu should make a decision in full consultation with three top LDP executives, including Secretary General Ozawa. Mr. Kanemaru said that while some people think the Japanese cabinet ministers' terms are too short, there are also those who say new ministers should be named without delay or who say complaints within the party can be appeased only through reform.

He said that the prime minister and three top executives of the party should cooperate so that they can judge correctly where the majority of the party members stand on this issue. He said that if it is determined that a new structure is desirable for unity within the party, then the administration should move that way.

Former Deputy Prime Minister Kanemaru thus indicated his view on a cabinet reshuffle before the end of the year, while suggesting that Prime Minister Kaifu, General Secretary Ozawa, and other party executives consult fully on the matter.

Official: Change in Monetary Policy Not Warranted

OW1412122690 Tokyo KYODO in English 1149 GMT 14 Dec 90

[Text] Tokyo, Dec. 14 KYODO—A top Finance Ministry official said Friday current economic conditions and price trends do not warrant a change in Japan's monetary policy.

"It's unthinkable to alter the current monetary stance in view of the present state of the economy and inflation," Vice Finance Minister Masami Kogayu told a press conference.

His remarks seemed a strong rebuttal of speculation that the Bank of Japan may reduce its key official discount rate in order to inflate the economy, now showing signs of slowing due to tight monetary policy.

The central bank has raised the base rate to 6.0 percent since May 1989, when it stood at 2.5 percent. The official discount rate is the fee charged on central bank loans to commercial banks.

Kogayu said the economy remains strong and free of inflation, but warned of continuously high growth in the money supply and the need for carefully monitoring prices.

"Inflationary pressures from a surge in oil prices have not dissipated yet. (Prices) must be watched carefully as in the past," Kogayu said.

'Experts' Call LDP Tax Proposal 'Toothless'

OW1412095890 Tokyo KYODO in English 0750 GMT 14 Dec 90

[Text] Tokyo, Dec. 14 KYODO—"Toothless" is what experts call the watered-down tax proposal of the ruling Liberal Democratic Party (LDP) aimed at taking a bite out of Japan's bloated land prices.

The "bubble-bursting" proposal which was approved by the LDP on December 6 will be accepted next Wednesday by Prime Minister Toshiki Kaifu's cabinet for submission to the House of Representatives in January.

Higher interest rates, tighter money, and cascading stock prices have helped Japan's orbiting land prices to start coming down to earth, but noneconomic factors continue to give prices artificial support, analysts said. And the LDP plan proves that the ruling party has little intention of dismantling the irrational pillars to land prices, they added.

"The patient needed a leg or an arm amputated and all that was removed was a little finger," said Yasuharu Suzuki, manager of the Investment Research Department at New Japan Securities Research Institute.

Low interest rates and easy money have contributed to doubling, and in some places tripling, land prices over the last five years, and the reversal of these factors has taken the heat out of the speculative rise, but analysts say there are other factors that maintain an artificially tight supply and demand of land in Japan.

"There are several major noneconomic factors supporting land prices in Japan," said Yoshio Shima, vice president at Goldman Sachs (Japan) Corp. He enumerated regulations hindering property supply, overcentralization around Tokyo, and a tax system that encourages the hoarding of property and discourages the selling of it.

The LDP's new property tax plan is supposedly aimed at correcting the supply-restricting tax system and prodding inefficient landowners into selling their land.

The land tax system reform outline, drawn up by the party's Tax System Research Council, proposed a national 0.3 percent landholding tax which would apply to properties valued at 1 billion yen or more.

Individuals or small companies with capital of 100 million yen or less will have to pay the tax only on landholdings valued at 1.5 billion yen or more. Landholdings valued at 30,000 yen or less per square meter will also be exempt.

The tax reform plan is a considerably watered-down version of a draft compiled earlier by Tax System Research Council Chairman Masajuro Shiokawa, which suggested a 0.5 percent rate of tax with a 500 million yen floor, and the Finance Ministry's expressed hope of a 0.5 percent to 1 percent taxation rate.

The new tax will not apply to land owned by the government, hospitals, schools, public utilities, residential lots under 1,000 square meters, or farmland valued at 30,000 yen or less per square meter.

Analysts say the dropping of the rate as well as adding of numerous exemptions means that the tax will affect fewer than 50,000 corporate and individual taxpayers, rather than the 200,000 to 300,000 under the original proposal.

"The proposal represents a lot of discussion and little action," said Hidetada Yoshimi, senior analyst at Yamaichi Securities. He said the tax package will have little effect on land prices because of the many exemptions and low taxation rate, and will leave the "inefficiencies" intact.

The Mitsui Bank Research Institute calculated before the tax reform package was finalized that land prices would fall only 6 to 7 percent if a tax of 1 percent was implemented, which is over three times the LDP's current proposal.

"This type of tax will not change the basic structure of noneconomic factors and will not cause any decline in land price or boost higher utilization of land," said Goldman Sachs' Shima.

The government's actions on land policy during previous land booms, "have not done anything greatly damaging to the real estate and banking industries, and cannot be expected to do so in the future," he said.

The government has its hands tied with upcoming local elections in April, and a fresh memory of how the unpopular consumption tax spurred an exodus of voters away from the LDP.

Business and agricultural federations campaigned heavily against increasing taxes on land, which explains the conspicuous absence of solid proposals on the needed reform of the undervaluing of land prices for tax purposes, and urban farmland policies.

"The proposal has no backbone," said New Japan Securities' Suzuki. But it is a step in the right direction, he added. He said even the watered-down version of the tax proposal was progress because the LDP had been averse to supporting any kind of landholding tax. "It wasn't 100 percent but it wasn't zero percent either," he said.

The government needs to reduce land prices so that the scheduled 430 trillion yen in public works spending over the next 10 years, which Japan pledged to the United States in the structural impediments initiative talks, will not all go to land.

Analysts agreed there are options outside of tax policy to bring prices down. For example, the finance ministry has put a control on lending to real estate firms and can also control how land prices are assessed for tax purposes, they said.

Land speculators are already feeling the squeeze of tighter lending policy and most analysts agree that the widely held belief that land prices can only go up is about to be broken.

They point to the decline in used condominium prices and the sagging contract ratio for new condominiums as early indicators of sinking real estate prices.

The Construction Ministry in a survey released Thursday said that real estate prices for the Tokyo, Osaka, and Nagoya areas fell between 5 percent and 10 percent in November.

Real estate experts said real estate prices will turn flat to slightly lower, but will still be far above the global norm until supply-restricting structures, such as the tax system, are dismantled.

Oil Industry Welcomes OPEC Agreement

OW1312125090 Tokyo KYODO in English 1215 GMT 13 Dec 90

[Text] Tokyo, Dec. 13 KYODO—The Japanese oil industry on Thursday welcomed OPEC ministers' agreement to continue their high production of crude oil to ease any shortages caused by the Persian Gulf crisis.

"It's meaningful for OPEC itself to agree to continue increased output to avert a price hike," said Tetsuo Honda, managing director at Showa Shell Sekiyu K.K., a major oil refiner and distributor.

The agreement came at a meeting of the ministers of the 13-nation Organization of Petroleum Exporting Countries (OPEC) that closed Thursday in Vienna.

The ministers agreed, however, to reduce oil output sharply to a level agreed upon last July once the crisis is resolved.

Oil industry officials said they are skeptical about the possibility of OPEC member nations going back to a 22.5 million barrel per day ceiling after a peaceful solution of the Gulf crisis. "I can't imagine that Saudi Arabia and other nations having boosted output will cut their output," said a senior official at Nippon Oil Co., Japan's largest oil company.

As for price movements, industry officials said the outlook for oil prices remains uncertain due to the Gulf crisis, but Showa Shell's Honda and others predicted that prices will stay between 20 and 25 dollars per barrel for the time being.

EPA Head Criticizes BOJ Monetary Policy

OW1412035190 Tokyo KYODO in English 0310 GMT 14 Dec 90

[Text] Tokyo, Dec. 14 KYODO—The head of the Economic Planning Agency [EPA], Hideyuki Aizawa, criticized the Bank of Japan (BOJ) on Friday for its monetary policy and showed support for a lowering of the official discount rate to rectify the current rate trend.

Aizawa, speaking to the press after a Diet session, said, "The Bank of Japan says high short-term interest rates and low long-term interest rates are the trend of the market. However, I cannot think of it as being a normal situation. Surely the reversal of rates implies difficulty in controlling short-term interest rates." He indirectly said it is now the time for the central bank to lower its official discount rate.

The BOJ raised the discount rate by 0.75 percentage point to 6 percent per annum August 30. Aizawa also said it is vital for the BOJ to cooperate in ensuring steady economic growth in fiscal 1991 beginning next April.

North Korea

Further on Continuing High-Level Talks in Seoul

Spokesman Gives Briefing

OW1312212290 Pyongyang KCNA in English 1850 GMT 13 Dec 90

[Text] Seoul December 13 (KCNA correspondent)—The second-day session of the third North-South high-level talks was held in Seoul behind closed doors today.

An Pyong-su, spokesman of our side, gave a news briefing after the talks.

According to him, discussion took place at today's session on the proposal put forward by both sides at the first-day session.

The South side took an allout defensive posture to block the adoption of "North-South Declaration of Nonaggression, Reconciliation and Cooperation" advanced by our side.

The South side said it was not avoiding the adoption of the nonaggression declaration. But it persistently refused to sign a document on nonaggression when we proposed to sign it.

In the past, with North-South parliamentary talks ahead, the South side avoided this issue, contending that the adoption of a nonaggression declaration was not a matter to be dealt with at parliamentary talks or discussed at a parliament.

Today, the South side's "National Assembly" also argues that this is a matter to be dealt with by the authorities.

When it was brought up at the talks between the authorities, as could be seen at the second round of the talks, the South side relegated it to the above and to the side, saying that it did not fall within the authority of the "prime minister" but must be discussed at the "National Assembly" and then resolved at the highest level.

And, at the talks today, the South side tried to relegate this matter to the below, with the premiers excluded, insisting on forming a subcommittee for its dicussion.

Such behaviour of the South side as leaving this matter to the upper and the lower, to this or that institution each time it was raised makes our side doubt whether or not the South side is willing to have discussions with us over the issues of nonaggression and reconciliation and cooperation.

The South side further stepped back from its position at the second round of the talks.

During the second round the South side apparently proposed the adoption of a "Joint Declaration on Reconciliation and Cooperation" which includes the key point of the nonaggression declaration calling for the renouncement of the use of arms between the sides.

At the third round, however, the South side withdrew even this proposal and went back to the "Basic Agreement on the Improvement of North-South Relations" which had been proposed at the first round.

Insisting on the priority to the adoption of the "Basic Agreement on the Improvement of North-South Relations", the South side talked about "confidence first, nonaggression next" to explain the reason.

The key issue of confidence-building is nonaggression.

But the South side asserted a nonaggression declaration itself is nothing but a piece of paper.

The South side's proposal has neither practical guarantee for nonaggression nor measure as regards this. The claim that the two sides should promise nonaggression in the distant future, while keeping huge armed forces each is nothing but an empty talk.

The South side said that it is impossible to adopt a nonaggression declaration as the North and the South fail to recognise the entity". [no beginning quotation mark as received]

Noting that if the South side has any opinion on our side's proposal some points can be supplemented or deleted and if necessary, the North side is even ready to accept the points of the agreement on the improvement of South-North relations presented by the South side, our side repeatedly urged the South side to agree on its proposal. The latter, however, categorically refused to do so.

The sides agreed to hold the fourth round of talks in Pyongyang between February 25 and 28 next year.

Delegation Leaves Seoul

SK1412053190 Pyongyang KCNA in English 0511 GMT 14 Dec 90

[Text] Seoul December 14 (KCNA correspondent)—The North side's delegation left here this morning after participating in the third North-South High-Level Talks.

Spokesman for the delegation An Pyong-su issued a statement prior to departure.

He, first of all, expressed thanks to the Seoul citizens and the compatriots in the South for the welcome and hospitality accorded the delegation and its entourage with warm compatriotic feelings of kinship.

It is to be regretted, he said, that though the "declaration on nonaggression, reconciliation and cooperation between the North and the South" proposed by us this time mirrors the unanimous will and desire of the fellow countrymen to promote peace and accelerate reunification and fairly reflects the assertions of both sides, it failed to meet with a due response.

We have failed to bring about any fruition this time in the three pressing issues—entry into the United Nations as one member, the release of those who visited the North and the discontinuation of the "Team Spirit" joint military exercises, he said, adding: But we are not disappointed.

The North side's delegation will as ever make all efforts to remove the danger of war, achieve peace and open a new phase of reconciliation and unity in our country by bringing our dialogue to a success, he stressed.

Spokesman on Departure

SK1412085690 Pyongyang Domestic Service in Korean 0500 GMT 14 Dec 90

[Text] Our side's delegation led by Yon Hyong-muk, premier of the DPRK Administration Council, which attended the third North- South high-level talks, left Seoul for Pyongyang on the morning of 14 December.

The South side's relevant officials left the quarters for Panmunjom with our delegation.

An Pyong-su, spokesman for our side's delegation, issued a statement in Seoul in connection with departure of the delegation.

[Begin An recording] Fellow countrymen and brothers in the South, including citizens of Seoul who warmly greeted us and gave us warm hospitality with kindred affection;

The South side's relevant members to the North-South High-Level Talks who cooperated for our delegation's stay in Seoul and for the current talks;

Reporters:

Our North side's delegation to the North-South High-Level Talks will return to Pyongyang soon, bidding farewell to you.

In the name of our delegation, I would like to express my deep thanks to citizens of Seoul and all fellow countrymen in the South who watched our delegation's work with great interest and heartily encouraged us.

During the current third round of talks, our delegation put forward a progressive proposal for integrating a nonaggression declaration, which is being raised most urgently at present for peace of the nation and for national unity, with a joint declaration for reconciliation and cooperation into one document called a declaration for North-South nonaggression, reconciliation, and cooperation. We proposed the adoption of this declaration, and made all sincere efforts to reach an agreement between the two sides .

The new proposal we put forward reflects deep concern over the future destiny of 70 million fellow countrymen who live with constant danger of war under an extremely unstable state. This proposal also reflects the ardent aspiration of the entire nation to realize a shortcut to national unity and peaceful reunification by removing the deep-rooted distrust between the North and the South.

Our new proposal, which broadly and comprehensively accepted drafts of agreements put forward up to the present by the two sides, also includes our sincerity to open a new prospect for the talks and to meet the expectations of the people at home and abroad by bringing the first precious fruit of our North-South High-Level Talks that merely wasted more than 100 days without making any progress.

However, to our regret, our sincerity failed to receive due response and because of this, the declaration of North-South nonaggression, reconciliation, and cooperation which our side put forward failed to reach an agreement.

We have also failed to bring an end to the three urgent pending questions which were raised from the first round of talks including the issue of entry into the United Nations with a single seat, the issue of releasing the people who visited the North, and the issue of ending the "Team Spirit" joint military exercise.

We deeply regret this. The prospect of future talks is not predictable.

The South side, which put it forward as an impending issue without any precondition to conclude a nonaggression declaration in the past, today insisted that it cannot conclude this declaration before the basic agreement for improving the North-South relations is resolved. The South side, which said it will affirmatively study our proposal for adoption of a nonaggression declaration during the second round of talks, again put off this issue during the third round of talks.

In particular, the South side, which proposed for a joint declaration for reconciliation and cooperation including the content of nonaggression declaration during the second talks, even withdrew this proposal without any word during the third talks, and returned to the position of basic agreement for improving the North-South relations. We do not understand the reasons for all of this.

However, all these facts clearly show that the South side is stepping backward from talks.

By covering up its own acts which comprehensively violated the principles of the 4 July joint statement in the past, the South side brought forth various concocted so-called incidents—just as a thief calling: Stop thief!—and waged a slanderous campaign. Indeed, this is most deplorable.

In light of all this, we cannot but have doubts as to whether or not the South side is attempting to stall for time, without paying attention to progress in the talks. We must express concerns with the prospect of the talks.

The future talks totally depend on how promptly the South side turns from the insincere position of confrontation to the position of unity and reunification.

Our talks should not retreat nor be deadlocked. The talks should come closer to each other, and should advance forward. We should resolve the military issue along with humanitarian issues, and should simultaneously resolve the issue of a nonaggression declaration and the issue of cooperation and exchanges.

Proceeding from the position of treasuring the North-South High-Level Talks, the issue of entry of the North and the South into the United Nations as a single member, the issue of ending the Team Spirit joint military exercise, and the issue of releasing the people who visited the North, should be settled urgently.

In particular, the South side, if it truly discarded outdated trait of antagonism against the North, should immediately release the figures of the South side's headquarters for promotion of a pan-national rally who were arrested and imprisoned on charges of recently meeting with the North side's figures overseas and discussing the reunification issue with them.

Our North side's delegation will, in the future, too, make every effort to remove the danger of war in our country and realize peace by leading our dialogue to success and to open a new aspect for reconciliation and unity. Thank you. Good bye. [end recording]

When our side's delegation was departing Seoul, it was seen off by the South side's relevant personages of the talks including senior delegate Kang Yong-hun.

The citizens of Seoul, youth and students came out to the streets and residential areas from Seoul to Panmunjom, and expressed warm farewell greetings by raising and waving their hands toward the motorcade of our delegation, the envoy of reunification.

Reflected in their faces were firm confidence and the will to remove the danger of war and realize peace by leading dialogue to success in the future and to achieve the reunification without fail in the 1990's by opening a new aspect for national reconciliation, unity and reunification.

At 1100, our side's delegation to the North-South High-Level Talks led by Yon Hyong-muk, premier of the DPRK Administration Council, passed Panmunjom and arrived in our side's area.

The suite members and reporters arrived together with the delegates. At Tongilgak in Panmunjom, the delegation was greeted by Chon Kum-chol, vice chairman of the Committee for the Peaceful Reunification of the Fatherland; Kim Ki-son, chairman of Kaesong Municipal People's Committee; Han Kwang-nim, chairman of the Kaesong Municipal Administrative and Economic Guidance Committee; and other personages concerned.

Commentary on South's Attitude

SK1412044490 Pyongyang Domestic Service in Korean 1150 GMT 11 Dec 90

[Commentary by Kim Kyong-pok: "Division-Oriented Attitude Must Be Given Up"]

[Text] To dissolve the political and military confrontation between the North and the South and to realize multifaceted cooperation and exchanges, the third round of the North-South High-Level Talks will be held in Seoul on 12, 13 December.

At the second round of the talks held in Pyongyang, the South side promised to consider in a forward-looking way the draft of a North-South nonaggression declaration, which we put forward, and to positively discuss this question at the third round of the North-South High-Level Talks. For this reason, the people at home and abroad are watching these talks with expectation and interest.

The results of dialogue will depend on both sides' attitude and position toward the dialogue. To bring results in dialogue in keeping with the expectations and interests of the people, both sides should come to the dialogue with a joint goal of realizing a reunified country. In addition, neither side should take a division-oriented stand to make the division into two Koreas permanent.

Proceeding from this stand, prior to discussing a basic agenda, we put forward the three proposals at the first round of the North-South High-Level Talks that the three-point principles—independence, peaceful reunification, and great national unity—be confirmed and maintained once again; the national common interests be placed above the interests of one side; and the act of throwing a wet blank over the atmosphere of the talks and of halting the progress of the talks be refrained from.

In retrospect, the South side has invariably taken a division-oriented attitude. The South side has babbled about recognition of the reality and about recognition of the system, even in face-to-face dialogue with us. Even worse, it has demanded that a so-called division-oriented basic agreement be reached. This nakedly shows division-oriented attitude of the South side.

No one will not deny the reality in which the Korean peninsula is divided into the North and the South and different systems in the North and the South exist. Because of division, the North and the South have sat face to face to talk. Thus dialogue aims at ending division.

The recognition of the reality and the recognition of the system, which have been put forward by the South side, are not for reunification. Rather, they are aimed at reaching an agreement between the North and the South on existence of the two states on the Korean peninsula and at promulgating at home and abroad this fact. Therefore, this cannot be interpreted otherwise than to live under circumstances in which the country and the nation are permanently divided into the North and the South.

The basic agreement put forward by the South side is a division-oriented proposal which graphically imitated the basic treaty which legitimized the two states of West Germany and East Germany. Thus, it is aimed at preserving the current division through the agreement between the North and the South and at legitimizing division.

The South side avoided adopting our proposal for a nonaggression declaration at the second round of the North-South High-Level Talks, while talking about the so-called the question of authority and procedure. This proceeded from such an division-oriented attitude.

The South side is seeking the perpetual division of the country both within and outside of the talk site. The question of entry into the United Nations is an internal question of the nation. Thus, this question should be settled according to an agreement between the North and the South.

In spite of this, the South Korean persons in authority have not shown sincerity in dialogue with us, and have begged other countries to support its entry into the United Nations. Even the top person in authority visited the United States and other big countries, seeking to realize a separate entry into the United Nations with their assistance.

These facts show that the South Korean authorities are speaking about reunification, but actually are seeking division, not reunification. The starting point of all thoughts and practices of the South Korean persons in authority proceeds from the position of preserving division.

If they come to talk with such a division-oriented attitude, even small results cannot come from dialogue.

To see results at the third round of the North-South high-level talks in keeping with the expectations of the people at home and abroad, the South side should change its division-oriented attitude into a reunification-oriented attitude, and sincerely participate in dialogue.

All the fellow countrymen are watching the actions of the South side.

South's Stance Termed 'Wrong'

SK1412052490 Pyongyang KCNA in English 0504 GMT 14 Dec 90

[Text] Pyongyang December 14 (KCNA)—NODONG SINMUN today prints a commentary of its press group from Seoul, which says: The third inter-Korean high-level talks showed once again that no agreement can be reached in regard to matters of reunification as long as the South Korean authorities fail to rectify their anti-peace, anti-reunification stand and wrong stance toward dialogue.

Noting that the third High-Level Talks ended on December 13 without any agreement, the news analyst says:

At the talks our side put forward a new epochal proposal to adopt "declaration of nonaggression, reconciliation and cooperation between the North and the South," taking the South side's stand into full consideration.

The South side, however, again came up with the "basic agreement on the improvement of North-South relations," insisting on its adoption.

The "basic agreement" brought forward by the South side this time wholly imitates that which had been used to justify the division in another country. Its starting point and the name of the document itself are oriented toward division. And its content is based on the separatist "recognition of entity" and "stage-by- stage" formulae.

This notwithstanding, the South side argued that the "basic agreement" proposed by it must be adopted before solving other matters, thus creating difficulties.

This shows that the South side is not interested in peace and reunification of the country but maintains the treacherous anti-reunification stand to have "two Koreas" recognized publicly through the adoption of the "basic agreement" and get along while making human and material exchanges on a limited scale.

Peace in our country is an important issue which must be settled before anything else in order to remove the danger of war jeopardizing the destiny of the nation, a nuclear war, and create a precondition for peaceful national reunification.

While taking exception to even the publication of a nonaggression declaration at the dialogue with us, the South Korean authorities are conducting "an entreaty diplomacy" abroad, asking others to put an end to the cold war system on the Korean Peninsula and induce the North to peace, reunification and opening. This is a very insidious act aimed at forcing a change in our system with the help of others.

South Assailed for Blocking Reporters' Meeting

SK1412045790 Pyongyang KCNA in English 0433 GMT 14 Dec 90

[Text] Pyongyang December 14 (KCNA)—NODONG SINMUN today prints a commentary sent by its press group from Seoul, which says:

If reporters from the North could meet with Southern people of different social strata in streets of Seoul during the North-South high-level talks in Seoul, it would be helpful to achieving national unity between the North and the South and promoting the cause of reunification.

As a matter of fact, if they had met with people in streets, they would have exchanged the feelings of fellow countrymen suffering from the division and called upon them to promote reunification with concerted efforts, and nothing else.

The South Korean rulers, however, prohibit Seoul citizens from coming near the hotel where the delegates from the North stay, and block the Northern reporters from going out of the hotel. This is a despicable act devoid of common sense.

It is clear why the South side doggedly opposes the meeting and exchange of feelings and opinions between fellow countrymen from the North and the South.

It is because the South Korean rulers, unlike the popular masses, do not want reunification and they are afraid of the reconciliation and unity between the North and the South.

It is disgraceful, in every respect, of the South Korean rulers to prohibit the people from welcoming and meeting the reunification messengers from the North, challenging the people's will, and keep the members of the northern delegation, the guests, in the hotel in a state little short of house arrest.

At the talks this time, the South Korean rulers categorically opposed our proposal for the adoption of a nonaggression declaration, calling for "the building of confidence first and the adoption of nonaggression declaration next" and insisted on starting easy-to-do exchanges allegedly because military affairs are difficult and complicated right now.

It was because of the wrong acts of the South Korean authorities who seek division and confrontation that the third round of North- South High-Level Talks failed to reach any agreement.

Here in Seoul this time, we saw with our own eyes that South Korea is a dictatorial society and a closed society.

The South Korean rulers are in a wretched lot, as they have to block the people from meeting the reunification messengers from the North, afraid of the people's desire for reunification.

South University Students Welcome Reporters

SK1412030090 Pyongyang KCNA in English 2206 GMT 13 Dec 90

[Text] Seoul December 13 (KCNA correspondent)—Our side's reporters who are staying in Seoul to cover the third round of inter-Korean high-level talks visited University of Foreign Studies in Seoul where woman student Yim Su-kyong studied, on December 12.

Posted at the university as a large pictureboard showing woman student Yim Su-kyong cheering with her hands raised high on the top of Mt. Paekdu.

More than 100 students rushed forward and gladly welcomed the reporters.

The chairman of the General Student Council of the University with tears rolling down his cheeks said that he was overwhelmed with joy at the visit of the guests from the North to the university.

He contended that the South Korean authorities must unconditionally release Sister Yim Su-kyog and other people who visited the North as they are now holding high-level talks with the North. He stated that the students would continue the struggle to have Sister Yim Su-kyong released and would rescue her without fail.

Then the reporters entered the office room of the "Council for the Rescue of Yim Su-kyong" and saw pictures showing her participation in the Pyongyang festival and her struggle in person.

A letter to the Pyongyang University of Foreign Studies from the General Student Council of the university was read at the meeting.

The students of the university asked the reporters to convey the will of the one million students in the South for reunification and their warm compatriotic greetings to the people and students in the North. The reporters and students, arm in arm, sang at the top of their voice the song "Our Wish Is Reunification". And they shouted "National reunification" uninterruptedly.

Reporters Relay Letter

SK1412112990 Pyongyang KCNA in English 1008 GMT 14 Dec 90

[Text] Seoul December 13 (KCNA correspondent)—Reporters of the North side now in Seoul to cover the third round of the North-South High-Level Talks called at the home of woman student Yim Su- kyong, the "flower of reunification," in Pyongchang-dong, Seoul, Wednesday.

They were warmly greeted by Yim Su-kyong's mother Kim Chong-un, father Yim Pan-ho and elder sister Yim Un-kyong.

When our reporters conveyed warm greetings of fellow countrymen in the North to woman student Yim Su-kyong and her parents, Yim's mother expressed deep thanks for this, saying that though her daughter did nothing particular to speak of, the fellow countrymen in the North call her "a proud daughter of the nation".

I cannot forget for the rest of my life the grateful feeling of brothers and sisters in the North who love and make much of my daughter Su-kyong, she said, stressing: My daughter Su-kyong will live for the reunification and will never die before the country is reunified.

Asked about Su-kyong's health, father Yim Pan-ho told reporters that his daughter waged a hunger strike five times in prison. Though Su-kyong was suffering from a stomach trouble she did not tell anyone of her poor health, he added.

He stressed "We are, indeed, one nation, of the same blood".

The reporters posed for a photograph with Yim Su-kyong's family members.

When they were going to leave Yim's home Kim Chong-un hurriedly wrote a letter to the fellow countrymen in the North and handed it to reporters.

She wrote in the letter:

Confirming and feeling once again that we are brothers and sisters of the same blood and convinced at heart that reunification will surely be achieved, I call for joint efforts to achieve the reunification without fail.

Proposal for Teachers' Rally Supported

SK1412053790 Pyongyang KCNA in English 0515 GMT 14 Dec 90

[Text] Pyongyang December 14 (KCNA)—Choe Kum-sun, chairwoman of the Central Committee of the Trade Unions of Men of Education and Culture of Korea, in a letter today to Yun Yong-kyu, chairman of the "National Teachers Union" (Chongyojo) of South Korea, stated that she sincerely and highly appreciates and warmly hails and supports Chongyojo's proposal to convene a "pan-national rally of teachers for reunification".

The letter recalled that Chongyojo decided to hold the "pan-national rally of teachers for reunification" in Seoul from August 13 to 15, 1991, with teachers of the North and the South and overseas in attendance and expressed its intention to meet with the counterpart in the North to discuss practical matters concerning this. Expressing the belief that the "pan-national rally of teachers for reunification" proposed by Chongyojo will mark an important milestone in pooling the will and strength of the teachers in the North and the South and overseas who want national unity and the reunification of the country, the letter declared: We assure you that we will meet with pleasure the delegates of your organization any time and anywhere.

The divisive force which hates national unity of the North and the South and reunification already dropped the checkbar on the way of the "pan-national rally of teachers for reunification", the letter says, and continues:

But we believe that no matter what difficulties may lie ahead of it, Chongyojo will never back away from the patriotic road for the country and the nation.

Our meeting must certainly be realised through a righteous struggle to achieve the reunification of the country.

We leave the matters of the date and place of contact to your organisation, taking into consideration the difficult conditions of its activities.

The letter expresses the conviction that if the contact between delegates of teachers in the North and the South is realised, a good consensus will be reached on all the questions arising in successfully holding the "pan-national rally of teachers for reunification" and pooling strength in the way of reunification.

Choe Kum-sun had hoped that the letter would be conveyed to Yun Yong-kyu through the South Korean Red Cross.

But it had to be sent through radio, as the South Korean Red Cross refused to take over the letter.

Sports Talks Spokesman Remarks on Delay

SK1412102990 Pyongyang KCNA in English 0958 GMT 14 Dec 0

[Text] Pyongyang December 14 (KCNA)—The spokesman for the North side's delegation to North-South sports talks today answered a question put by a KCNA reporter as to the delay of the opening of the second round of North-South sports talks which began with a view to discussing the issue of forming unified teams of the North and the South for major international games.

At the first round, he said, our side repeatedly suggested that the second round be brought forward to early December or mid- December and, if it is difficult, it be held late in the month so as to speed up the discussion of the issue of forming unified teams of the North and the South for major international games including the upcoming 41st world table-tennis championships at any cost.

Though 15 days have passed since the first round, the South side, the sponsor of the next round, has not yet notified us of the date of the second round, he said, and continued:

Our side, out of a desire to see unified teams at an early date, sent a telephone message to the South side on December 10 proposing that the second round be held on December 20.

The spokesman further said:

Judging from the fact that there is no reply from the South side till today, several days after our side sent the telephone message, it seems that the South side, while talking about the formation of unified teams, is, in actuality, resorting to procrastination tactics with no interest in the issue. The South side, mindful that all the fellow countrymen are following its stand and attitude, must respond to our repeated demand at an early date.

Musicians Gifts to Yim, Mun Refused by Officials

SK1412045690 Pyongyang KCNA in English 0400 GMT 14 Dec 90

[Text] Seoul December 13 (KCNA-correspondent)—Song Tong- chun, head of the Pyongyang National Musical Troupe at a press conference today prior to his departure from Seoul said that he asked Executive Chairman Hwang Pyong-ki of the "traditional musical concert for reunification seeing 90 out" of the South side to convey souvenirs from artists of the Pyongyang Mansudae Art Studio to Rev. Mun Ik-hwan, student Yim Su-kyong and Father Mun Kyu-hyon.

The souvenirs were landscape paintings, flower vases, ceramic works and sculptures.

The head of our side said that the executive chairman and the liaison official of the South side promised to convey them.

But, when the party of our troupe was going to get on a bus to leave, the liaison official of the South side came running and said he could not convey them because he failed to get the permission of the authorities.

Meanwhile, at that moment, operatives of the "security planning board" kept at the Sheraton Hotel Hwang Pyong-ki who should leave for Panmunjom to see off our party and called him to task for having promised to convey the souvenirs.

It is quite natural for our artists to want to present souvenirs to the reunification champions in the South. This represents the fellow countrymen's desire for reunification. However, the authorities of the South side blocked it by "government" power. This fully showed once again that they do not want reunification.

Foreign Leaders Support Reunification Proposals

SK1412052790 Pyongyang KCNA in English 0458 GMT 14 Dec 90

[Text] Pyongyang December 14 (KCNA)—The new five-point policy of national reunification put forward by the great leader President Kim Il-song in May last has evoked full support and sympathy among the world's progressive people, as well as the compatriots at home and abroad for its fairness and reasonableness.

According to the data available, party leaders, heads of state and government and public figures of more than 140 countries of the five continents, some 1,000 political parties and public organisations and about 50 international and regional organisations fully supported the five-point policy for national reunification through messages and letters of solidarity, statements, statements issued to the press, appeals and different functions in the past six months after its publication.

Foreign party and state leaders in their messages and letters of solidarity said in unison that the five-point policy for national reunification is one more vivid proof of the firm will of the DPRK for the reunification of the country and fully supported it.

The resolution on Korea adopted at the 12th World Trade Union Congress attended by the delegates of 457 organisations from 123 countries and regions said that the tensions should be eased, a peaceful atmosphere be created and all the barriers of division including the concrete wall be removed on the Korean peninsula and expressed full support to the five-point policy for national reunification set forth by the DPRK.

Speakers at the 45th U.N. General Assembly session supported the inter-Korean dialogue on the U.N. membership and demanded that the United Nations resolve all the questions in favor of the realisation of Korea's reunification.

The DPRK's new five-point policy for national reunification was fully supported at various political functions including solidarity meetings, demonstrations, seminars and lecture meetings, more than 1,000 all told, organised by 320 permanent committees for supporting Korea's reunification in some 80 countries.

'Dastardiy' Anticommunist Slogans in Seoul Decried

SK1312120390 Pyongyang KCNA in English 1009 GMT 13 Dec 90

["Dastardly Anti-Communist Racket To Incite Antagonism"—KCNA headline]

[Text] Seoul December 12 (KCNA correspondent)—Despicable anti-communist, anti-reunification rackets were kicked up repeatedly in Seoul, timed to coincide with the third inter-Korean high-level talks and the "traditional concert for reunification seeing 1990 out" which are currently underway here.

On December 11, when our side's delegation to the high-level talks and its entourage were entering Seoul, a sound car jarringly rode ahead of the motorcade carrying the delegation, warning the citizens through a loudspeaker not to appear on the streets and, in case they should be on the streets, not to welcome and wave to the delegation of the North side.

From around 06:40 the following day, sound cars belonging to unidentified organs showed up on the road around Hotel Shilla where our delegation was registered, broadcasting "We must not be taken in by communism," "We must not be fooled by communism."

Over the nearly 20 years since the dialogue began between the North and the South the North side's delegations have experienced many challenges in Seoul. But such frantic act of provocation is the first of its kind.

When our side lodged a strong protest against it, the chief liaison official of the South side pretended ignorance, saying it was "an unexpected occurrence," and hastily concluded that it was "a work of anti-communist ultra-rightist elements." This, however, cannot be dismissed as such.

If the South side's authorities who keep tens of thousands of police on the alert at all times really intended to create a favorable atmosphere for dialogue, they would have blocked the rash act of a tiny handful of "ultra-rightists" without much difficulty.

Facts show that they reluctantly accede to dialogue and treat us still with daggers hidden behind their coats.

The South side's authorities must stop the reckless provocations and apologize to our side for them, as demanded by our side.

KCNA Reports U.S. Aerial Exercises Over South

SK1212121990 Pyongyang KCNA in English 1009 GMT 12 Dec 90

["U.S. 'Imperialists' Military Exercises Against North"—KCNA headline]

[Text] Pyongyang December 12 (KCNA)—The U.S. imperialists deployed some ten Okinawa-based nuclear capable fighter bombers F-15 in the Osan Air Force Base on December 3 and sent them to the sky above Woeyon Island on December 4 to stage a long air strike exercise for a nuclear attack on the depth of the northern half of Korea, according to military sources.

On the 7th the U.S. Pacific Air Force Command sent formations of F-16 and F-15 based in Kadena of Okinawa and in Iwakuni and Misawa of Japan and formations of carrier- based assault planes F-14 to the sky above Sosan, Kunsan and Osan to stage a ground-target strike exercise for the increase of actual war capacity against the North with the support of formations of fighter bombers F-16 of the U.S. Seventh Air Force stationed in South Korea.

On the fifth and sixth they brought formations of Iwakuni-based assault planes A-4 and A-6 into South Korea to stage in the sky above Osan a ground-striking exercise for a surprise attack on targets along the frontline of our side.

On the sixth and seventh they introduced formations of transport planes C-130 and C-141 carrying a large amount of combat materiel into the Osan Air Force Base from the Yokoda Base of Japan to train the prompt transport of combat materiel to bases.

A total of 1,300 planes were mobilized in the U.S. imperialists' frantic aerial military exercises in the air above South Korea on December 6 and 7.

U.S. 'Espionage' in North

SK1312105190 Pyongyang KCNA in English 1007 GMT 13 Dec 90

["U.S. Imperialists' Aerial Espionage"—KCNA headline]

[Text] Pyongyang December 13 (KCNA)—The U.S. imperialist aggressors on December 11 brought an E-3A early warning plane based in Kadena, Okinawa, into the air above the military demarcation line of Korea and let it take a shuttle flight from the east to the west for an espionage on targets in the depths and large areas of the northern half of Korea, according to military sources.

On December 12 they sent a Guam-based KC-135 refueling tanker to the sky above Osan, South Korea, to stage a real war exercise for mid-air refueling to 10 F-16 fighter-bombers belonging to the U.S. Seventh airforce, inciting a war fever against the North.

Daily Comments on U.S. Forces Reinforcement

SK1412050390 Pyongyang KCNA in English 0440 GMT 14 Dec 90

[Text] Pyongyang December 14 (KCNA)—MINJU CHOSON today comments on the scheme of the U.S. imperialists to additionally appropriate 20 billion dollars in military expenditure for the reinforcement of the armed forces and their deployment and operation overseas. This clearly shows that the U.S. imperialists are seeking to step up the policy of strength, still attaching importance to it, the news analyst says.

The U.S. imperialists, he notes, are now sticking to the strategy of "peaceful transition" on the one hand and pursuing the policy of strength on the other.

Openly claiming that only when they are mighty can they dominate the world, the U.S. ruling quarters leave no stone unturned in their bid to attain predominance in strength and military superiority.

While eliminating or reducing some old weapons under the label of "disarmament", they instead produce and deploy new weapons of high performance both in maneuverability and striking force.

The U.S. imperialists are getting overheated in maintaining and strengthening "strategy of deployment forces in the forward areas" with main emphasis on the overseas deployment and operation of aggression armed forces.

Their policy of strength finds salient manifestation on the Korean Peninsula.

Their policy towards Korea is to keep hold on South Korea as an anti-communist bulwark, nuclear forward base, indefinitely, and with it as a springboard, to overpower the northern half of Korea with strength and thus establish domination over the whole of Korea.

To this end, the U.S. imperialists are building up their armed forces and intensifying military exercises in their preparation to invade the North with outcries over the fictitious "threat from the North", turning a deaf ear to our repeated proposals for disarmament.

The danger of war heavily hanging over the Korean Peninsula is a great threat to the peace and security in Asia and the world.

Anachronistic and reckless is their policy of strength going against detente and peace.

Kim Pok-sin Meets Russian Republic Delegation

SK1412051990 Pyongyang KCNA in English
0417 GMT 14 Dec 90

[Text] Pyongyang December 13 (KCNA)—Vice-Premier Kim Pok-sin today met and had a friendly talk with a delegation of the association of textile industry of the Russian Soviet Federative Socialist Republic of the USSR headed by its First Vice-Chairman Stanislav Korba at the Mansudae Assembly Hall.

Soviet Ambassador Says Farewell to Kim Yong-nam

SK1212122090 Pyongyang KCNA in English
1026 GMT 12 Dec 90

[Text] Pyongyang December 12 (KCNA)—Vice-Premier and Foreign Minister Kim Yong-nam today met and conversed with the Soviet Ambassador Gennadiy Bartoshevich who paid a farewell call on him.

Pyongyang Radio: Soviets Denounce Restructuring

SK1312143690 Pyongyang Domestic Service in Korean
2200 GMT 11 Dec 90

[Text] The Soviet TASS news agency 6 December carried a commentator's article reporting that participants in a national meeting of managers of state enterprises, held at the Kremlin in Moscow, publicly denounced a restructuring policy in the Soviet Union.

Pointing out that all the sufferings of the economic functionaries who have witnessed the bankruptcy of the Soviet Union were voiced in the discussions of the national meeting of managers of state enterprises, the agency reported: The restructuring, which was begun in 1985 without any plan, has gone bankrupt.

A manager from Estonia, who was loudly applauded, said: Restructuring has proceeded not from a direction of creation, but from a direction of collapse. Crimes have occurred before the country and the people. In other words, the country and the people have been led into economic bankruptcy and complete subjugation.

The agency continued to report: A manager of a general chemical plant in (Kirovzvet) evaluated the parliamentary rostrum as a disgusting site for those engaged in verbal study, which has led the entire country to oversensitiveness. He urged the people to firmly grasp the key of managing the country and to correctly operate it.

Many other participants doubted the center's ability to rescue the country from a crisis.

A manager of a plant in (Olonets) said the people can no longer endure such a situation.

Reporting on the status of the meeting, the agency pointed out that the dissatisfaction of economic functionaries was similar to a public protest which is close to a riot.

Fact Finding Group on Koreans Formed in Osaka

SK1012155390 Pyongyang KCNA in English
1538 GMT 10 Dec 90

[Text] Pyongyang December 10 (KCNA)—The Osaka, Japan, prefectural fact-finding group on forcible labor conscription of Koreans was recently formed, according to a KNS report from Tokyo.

This group will conduct brisk activities of various forms such as collection of materials, on-the-spot investigation and collection of stories about personal experiences, together with request action vis-a-vis the Osaka prefectural authorities.

It created a big stir by making public on November 30 the list of names of 197 Korean workers who were taken to Japan and driven hard before liberation.

Koreans in Japan Urge Early Normalization of Ties

SK1312062790 Pyongyang KCNA in English
0504 GMT 13 Dec 90

[Text] Pyongyang December 13 (KCNA)—A brisk campaign demanding the Japanese Government to make efforts for early normalisation of Japan-DPRK relations is continuing in different parts of Japan, according to a KNS report from Tokyo.

Nobuyoshi Tan, secretary general of the Minami-ku People's Council for Supporting the Independent and Peaceful Reunification of Korea, Toshiko Okazawa, vice-chairman of the Simogyo general branch of the Japan Socialist Party, and Kim Chong-hyon, chairman of Thobsi, Kyoto Prefecture, branch of the General Association of Korean Residents in Japan (Chongryon), went to the residence of the Japanese prime minister on December 6 and handed over a letter of request addressed to Prime Minister Kaifu.

The letter of request strongly demanded that the Japanese Government do its best for early normalisation of Japan-DPRK relations.

Referring to the joint declaration of the three parties on Japan-DPRK relations, it said that this marked a historical occasion in putting a period to Japan's 36 year-long colonial rule and to the 45 year-long abnormal relationship between Japan and the DPRK and in realising normalisation of relations between the two countries.

As the Japan-DPRK relations have not yet been normalised, it noted, there remain a big obstacle to the national rights and legal status of the Korean residents in Japan including the question of education and Japan and the DPRK are close yet far from each other.

For normalisation of Japan-DPRK relations it is necessary for Japan to apologize and compensate the Korean people for their sufferings and losses during its 36 year-long colonial rule and for 45 years after it, it pointed out. It demanded that all rights of the first generation of the Koreans who had been taken to Japan by force and their children be guaranteed.

The letter of request stressed that normalisation of Japan-DPRK relations is a matter that should be resolved by Japan and the DPRK independently in accordance with the will and hope of the peoples of the two countries and in the way of contributing to the independent and peaceful reunification of Korea and world peace.

Kim Il-song Sends Greeting to MPLA Leader

SK1212055390 Pyongyang KCNA in English 0425 GMT 12 Dec 90

[Text] Pyongyang December 12 (KCNA)—Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea, sent a message of greetings Tuesday to Jose Eduardo dos Santos on his reelection as president of the Popular Liberation Movement of Angola (MPLA)—Workers' Party.

Comrade Kim Il-song in the message said:

I sincerely rejoice over the achievements gained by your party and people in the struggle to safeguard the revolutionary achievements and step up the economic construction and increase the defence capabilities under your correct leadership and warmly congratulate them.

Believing that the excellent relations of friendship and cooperation between the two parties and peoples will grow stronger and develop in the future, I sincerely wish you greater success in your responsible work for strengthening the party and the independent development of the country, the message notes.

Birthday Greetings Sent to Lao Official

SK1212131990 Pyongyang KCNA in English 1027 GMT 12 Dec 90

[Text] Pyongyang December 12 (KCNA)—Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea and president of the Democratic People's Republic of Korea, today sent a message of greetings to Kaysone Phomvihan, general secretary of the Central Committee of the Lao People's Revolutionary Party and premier of the Lao People's Democratic Republic, on the occasion of his 70th birthday.

The message says:

On behalf of the Central Committee of the Workers' Party of Korea, the Government of the Democratic People's Republic of Korea, the Korean people and on my own behalf, I warmly congratulate you on the occasion of your 70th birthday.

The Lao people under your leadership have made great strides in their efforts to consolidate the national independence and build an independent and democratic new society.

I take this opportunity to sincerely wish you greater success in your future work to strengthen the Lao People's Revolutionary Party, consolidate the people's democratic system and build a peaceful and prosperous new Laos as well as good health and happiness.

Cuban Embassy Hosts Anniversary Reception

SK1112050590 Pyongyang KCNA in English 0430 GMT 11 Dec 90

[Text] Pyongyang December 11 (KCNA)—Javier Perez, charge d'affaires ad interim of the Cuban Embassy here, gave a reception on December 10 on the occasion of the 30th anniversary of the establishment of economic and trade relations between the Democratic People's Republic of Korea and the Republic of Cuba.

Present on invitation were Secretary of the C.C. [Central Committee], the Workers' Party of Korea Han Song-yong, Vice-premier Kim Tal-hyon and officials concerned.

Javier Perez and Kim Tal-hyon made speeches at the reception.

Han Song-yong Visits Sariwon Construction Site

SK1212013390 Pyongyang Domestic Service in Korean 2200 GMT 5 Dec 90

[Excerpt] Thanks to the heroic struggle of the People's Army soldiers and construction workers boundlessly loyal to the party and the revolutionary cause, the construction site of Sariwon Potash Fertilizer Complex, which is cutting its gigantic figure as another monumental edifice of the era of the Workers' Party, is now boiling with the passion of loyalty.

The People's Army soldiers and construction workers here who have risen up as one in the struggle to implement the great leader Comrade Kim Il-song's on-the-spot guidance which they had received with great emotion and joy have innovatively erected more skeleton and [word indistinct] than before over the past few days by putting up a vigorous labor struggle in their workshops.

A rally of the soldiers and construction workers was held on 5 December on the spot to resolve a complete implementation of the great leader Comrade Kim Il-song's on-the-spot guidance at a time when the entire construction site is filled with revolutionary enthusiasm and militant verve to brilliantly conclude the last part of combat in the first year of the nineties.

Functionaries from concerned sectors, such as Comrade Han Song-yong, member of the Political Bureau, and secretary of the WPK Central Committee; Comrade Kim Yun-hyok, vice premier of the State Administration Council; Cho Chol-chun, minister of construction; Kang (Hyon-su), responsible secretary of the North Hwanghae Provincial Party Committee and chairman of the North Hwanghae Provincial People's Committee; and Kim Hyong-chong, chairman of the North Hwanghae Provincial Administrative and Economic Guidance Committee, attended the rally, along with the People's Army soldiers and construction workers. [passage omitted]

Daily Stresses Sariwon Potash Construction

SK1112104190 Pyongyang Domestic Service in Korean 0014 GMT 10 Dec 90

[NODONG SINMUN 10 December editorial: "Let Us Positively Accelerate the Construction of Sariwon Potassic Fertilizer Complex"]

[Text] Today we are assigned the important task of more vigorously accelerating the construction of the Sariwon Potash Fertilizer Complex, upholding the great leader Comrade Kim Il-song's on-the-spot guidance.

The great leader Comrade Kim Il-song has taught: Builders and soldiers of the People's Army, who have participated in a major construction program, should have a high consciousness as builders who have been in charge of major offensive construction front, and should create a new speed of the 1990's in the construction by displaying a creative spirit and mass heroism.

The Sariwon Potash Fertilizer Complex is being rapidly built thanks to the heroic struggle of soldiers of the People's Army and builders, who have been endlessly loyal to the party and the cause of the revolution. This is another monumental creation of the era of the Workers' Party of Korea, which will positively contributes to strengthening the economic power of the country and to further improving the people's living standard.

If the construction of Sariwon Potash Fertilizer Complex is completed and begins operation, hundreds of thousands of potassic fertilizer and aluminum and additional cement per year will be produced. By so doing, a great turn will be made in epoch-makingly increasing agricultural production and in more rapidly developing the universal national economy. In addition, trade with foreign countries will be further expanded and developed.

The soldiers of the People's Army and builders, who have been mobilized into construction, have taken honor and pride in participating in the sacred struggle for the growth and development of the country and for the happiness of the people, and have devoted their power and wisdom to carrying out the honorable tasks put forward by the party, thereby completing many works within a short time.

The successes effected within a short time are great and prideful. There are, however, many more works that we should do. Not being satisfied with a victory, our people have effected a constant innovation and constant advance. This is the proud revolutionary nature of our people.

As the construction target is clearly put forward and as direction and the way to realize the target are clearly clarified, if we make up our mind and rise up once again, we can create a new speed of the 1990's, and we can expedite the completion of the construction of Sariwon Potash Fertilizer Complex.

What is, above all, important in accelerating the construction of Sariwon Potash Fertilizer Complex while upholding the great leader Comrade Kim Il-Song's on-the-spot guidance is that functionaries and builders should rise up in a revolutionary way, arming themselves with high ideological obligation.

Deeply cherishing in their mind the great leader's guidance that if there had been more 10,000-ton steel materials in the postwar era, the country would have been much better-off, our working class, who have been loyal to the call of the party and the leader, have not only vigorously demonstrated our people's invincible strength of firmly rallying themselves around the party, but also proved the justness of the party's policy through the grand forward movement of Chollima.

Such an enthusiastic loyalty, high ideological obligation, and invincible revolutionary spirit have now become the struggle ethos and lifeblood of our working class.

If we have such a loyal spirit to the party, and if we have the spirit of absoluteness and unconditionality to the guidance of the leader and to the decisions and direction of the party, there is no work that we cannot do in today's favorable circumstances.

In order to be endlessly loyal to the call of the party and the leader, all functionaries and soldiers of the People's Army and builders, who have participated in construction, should turn out in a revolutionary manner, with high ideological obligation and vigor as in the era of the postwar Chollima great upswing; should further kindle the speed of construction; and should create a new speech of the 1990.

Self-reliance is the revolutionary spirit and struggle principle of communists trying to carry out the revolution and construction with their own strength to the end. All functionaries and builders should bravely break through rising difficulties and hardships, with the spirit of completing the construction of Sariwon without fail, whether or not the upper gives assistance.

By so doing, the speed of construction should be epoch-makingly increased, and thus the date of completion, resolved to the party, should be guaranteed without condition.

The important way to successfully carry out the enormous construction task lies in positively exploiting and mobilizing the inner reserves, and in strengthening the struggle for conservation. All the soldiers of the People's Army and builders, who have participated in construction, should deeply cherish that our people's valuable sweat of their brow and efforts dwell in the production of facilities and materials; should more vigorously launch the struggle to find inner reserves; and should further conserve materials, including cement and steel materials.

Carrying out organizations and command with high revolutionary spirit and militant power is an important characteristic that our functionaries—commanding staff of the revolution—should naturally hold.

High is the vigor of the soldiers of the People's Army and builders who have turned out upholding the great leader Comrade Kim Il-song's on-the-spot guidance. All functionaries in the construction commanding post should go deep down to the masses; should grasp a situation; should set up a higher phased task; and meticulously carry out a militant organization.

Only when functionaries concretely distribute tasks to enterprises, workshops, work teams, and militant units; and only when they settle arising problems at the proper time, can any difficult tasks be easily implemented.

Functionaries should give others the example of shouldering, as required by the work style of the great leader. Only when the revolutionary spirit of self-reliance is linked to science and technology, can more success be effected. Functionaries and builders should pool their strength and wisdom in major endeavors—such as the construction of various rotary kilns, construction of after treatment needed for operating rotary kilns, construction of a thermal power station, construction of exploiting mines, and other enormous construction programs. By so doing, they should increase the universal construction speed through a new technological innovation.

In particular, scientists and technicians should successfully settle questions concerning science and technology, which arise in increasing the construction speed and strengthening creative cooperation with builders. By so doing, they should play the roles of vanguards in widely creating our own method of construction and in introducing efficient construction machines.

The Sariwon Potassic Fertilizer Complex is a valuable asset that should be handed down to the next generation. Cherishing deep in their minds that high speed presupposes high quality, functionaries in the construction commanding post and builders should promote construction, while giving priority to quality when they erect even a pillar and assemble even a facility.

Construction of the Sariwon Potash Fertilizer Complex is the work into which the whole party, the whole country, and all the people combine their efforts.

Domains concerned with the national economy, upholding the great leader Comrade Kim Il-song's guidance that related plants and enterprises should primarily produce and provide plant facilities and materials, should produce and guarantee at a proper time materials and plant facilities, including steel materials and cement. In addition, the entire party, the entire country, and all people should turn out to sincerely give assistance with materials, technology, and labor to the domains.

The railway transportation fields should primarily transport facilities and materials produced at various fields of the national economy at the proper time.

The party organizations concerned and, in particular, the party organizations of the units, mobilized into the construction of the Sariwon Potash Fertilizer Complex, should deeply explain to builders the guidance that the great leader Comrade Kim Il-song gave during his on-the-spot to the construction site of the Sariwon Potash Fertilizer Complex. And, they also should vigorously inspire builders.

As a result, all militant members should correctly understand the demand and intention of the party and the leader, and they should highly display mass heroism and invincible fighting spirit in the struggle to carry out the demand and intention.

In particular, functionaries should rise up to carry out militant organizations and command and properly lead the militant members to settle arising questions at the proper time.

Let us all proudly display once again the genuine mettle of the heroic Korean people who have effected a constant innovation and constant advance by greatly accelerating the completion of the construction of the Sariwon Potash Fertilizer Complex, upholding the great leader Comrade Kim Il-song's guidance.

Kim Chong-il Sends Consumer Goods Samples

*SK1412103390 Pyongyang KCNA in English
1005 GMT 14 Dec 90*

[Text] Pyongyang December 14 (KCNA)—Korea has gained innovative achievements in the production of consumer goods such as garments, undergarments, shoes and household utensils.

In recent years the Workers' Party of Korea has taken one step after another to creditably solve the issue of consumer goods in a short time in conformity with the aspiration and demand of the popular masses by bringing about a radical turn in light industry.

Dear Comrade Kim Chong-il sent some 25,600 light industrial goods samples of 8,300 kinds to the light industrial domain on several occasions, of which 1,390 samples of 500 kinds were sent this year.

The samples are now being widely used by light industrial establishments in increasing the variety of consumer goods and improving their quality.

Seminar Held on Kim Il-song Work Noted

SK1412052590 Pyongyang KCNA in English 0404 GMT 14 Dec 90

[Text] Pyongyan December 13 (KCNA)—A scientific seminar on "Let Us Train Active Party Workers", talk of the great leader President Kim Il-song with the teachers of the Central Party School on December 18, 1960, was held at the Kim Il-song Higher Party School Today on the occasion of the 30th anniversary of its publication.

Present there were Kim Chung-nin, secretary of the Central Committee of the Workers' Party of Korea, and other officials concerned.

The speakers stressed that the work is a textbook which gives scientific answers to the theoretical and practical questions arising in training active party workers who have prepared themselves theoretically and practically in keeping with the acceleration of socialist construction.

The work, they said, is a highly important guideline which clarifies the fundamental demands of the work of the party school and the cardinal principle and content of the education at the party school for training active party workers.

They added that the work makes clear the task to firmly establish chuche against flunkeyism in the educational work of the party school so as to train the party workers who use their brain and act according to their faith and who know how to educate the masses, unite them around the party and mobilise them in revolution and construction.

KCNA Reviews 14 Dec Pyongyang Press

SK1412052690 Pyongyang KCNA in English 0446 GMT 14 Dec 90

[Press review]

[Text] Pyongyang December 14 (KCNA)—NODONG SINMUN today reports that foreign media gave publicity to the answers of the great leader President Kim Il-song to questions raised by the president of the Nepal Journalists Association.

Given in the paper is an account of a scientific seminar held to mark the 30th anniversary of the publication of "Let Us Train Active Party Workers", a classical work of President Kim Il-song.

MINJU CHOSON in an article introduces Anju City, South Pyongan Province, which has been built into a modern city, an ideal city of working class under the far-reaching plan and wise leadership of President Kim Il-song.

Works of dear Comrade Kim Chong-il are deeply studied in various countries, dailies say.

Seen in the press is an account of a national meeting held to mark the 5th anniversary of the publication of "On Stepping Up the Work of the Union of Agricultural Working People", a work of Comrade Kim Chong-il.

NODONG SINMUN conveys repercussions on officials of the reply letter sent by Comrade Kim Chong-il to the members of the second party cell of Department No. 5 of the KCNA.

Echoed in the paper are voices of world public highly praising Comrade Kim Chong-il as a "great lodestar that rose in Korea".

Dailies inform the readers of the closing of the 3rd North-South high-level talks.

NODONG SINMUN reports that the Tanzanian president met a delegation of the Workers' Party of Korea [WPK] and the national secretary general of the Socialist Political Action Party of Peru met a WPK delegation.

Economic news of the press includes reports that the Yongsong General Machine Bureau finished the manufacture of 4,000 hp compressors nos. 3 and 4 and the October 5 General Automation Works fulfilled its yearly plan.

Figuring large in dailies are news that the Pyongyang national musical troupe left Seoul after participating in the "traditional concert for reunification seeing 1990 out" and arrived here and that South Korean newspapers widely reported about performances of the troupe.

Commenting on the third round of the North-South High-Level Talks held in Seoul, the press says the talks showed once again that unless the South Korean authorities correct their anti-peace, anti-reunification stand and wrong attitude towards dialogue, no agreement can be reached on matters of reunification.

NODONG SINMUN comes out with a commentary accusing the South Korean ruling quarters of barring the delegation and suite and reporters of the North side from meeting with Seoul citizens during their stay in Seoul for the third North-South high-level talks.

Carried in the press are reports that the North side's reporters staying in Seoul to cover the high-level talks visited the University of Foreign Studies in Seoul, the alma mater of coed Yim Su-kyong, and her home and Tongguk University, the South Korean authorities opposed delivery of souvenirs from the North side to reunification champions, and letters and writings left by South Korean students to our reporters. According to NODONG SINMUN, the Chinese PEOPLE'S DAILY published an article saying that socialism is an option of the history of 150 years of China and the Soviet public lamented the difficult situation of the country.

The Iranian president outlined the prospect of the country's development, the president of the State of Palestine denounced the U.S. imperialists' war moves in the Gulf and mentioned a peaceful solution to the Gulf crisis, says the paper.

It introduces economic successes made in Tanzania, Ethiopia, Egypt, Zimbabwe, Angola, Nigeria and Ghana.

It carries an article exposing the reactionary and heinous nature of the imperialists' "peaceful transition" strategy.

MINJU CHOSON in a commentary flails the U.S. imperialists' arms buildup.

South Korea

Reportage on President No Tae-u's Moscow Visit

President No Departs 13 Dec

SK1312032990 Seoul YONHAP in English 0255 GMT 13 Dec 90

[Text] Seoul, Dec. 13 (YONHAP)—President No Tae-u has left for Moscow to meet with Soviet President Mikhail Gorbachev and advance the day of peace and reunification on the Korean peninsula during a four-day visit, the first by a South Korean head of state.

The special plane carrying No, his wife, a 16-member entourage and at least 10 Korean business leaders was due at Moscow's Sheremetyevo Airport at 5 pm (Moscow time) Thursday. He is to be welcomed by Vadim Medvedev, a member of the Soviet Presidential Council.

No and Gorbachev, who first met in San Francisco on June 4 and sowed the seeds for normalization of diplomatic relations nearly four months later, will have a brief encounter in an official welcoming ceremony at the Kremlin.

The next day, the two leaders will hold two and half hours of talks from 11 am on economic cooperation, the Korean question and security of Northeast Asia. A joint communique, dubbed "Moscow declaration," is expected at 1:30 pm.

Before departing from the Seoul airport in the southeastern outskirts of Seoul, No said the trip would advance "the day of peace and reunification" for Korea.

"President Gorbachev and I will discuss and seek ways of ending the war on the Korean peninsula and realizing peace and reunification.... The fact that the president of South Korea is visiting the Soviet Union for the first time shows that the era of the cold war is gone and a new era is opening up," No said.

Stressing that friendship and cooperation between South Korea and the Soviet Union are directly related to peace and reunification of Korea, No said his visit would provide historic momentum to open "good neighbor relations" between the two countries after 86 years of estrangement.

On arrival in Moscow, the South Korean president will give a reception for ethnic Koreans in the Soviet Union after attending welcoming ceremonies.

On Friday, he will lay a wreath at the Tomb of Unknown Soldier, have lunch with Soviet scholars and businessmen, and visit Moscow University to give a speech on "beyond the wall of cold war and toward peace and prosperity—a new era of Korea-Soviet friendship and cooperation." In the evening, No will attend a dinner given by Gorbachev.

On Saturday, he will meet with leading Soviet politicians, hold a news conference and attend farewell ceremonies at the Kremlin before leaving for Leningrad.

On Sunday, he will visit a research institute in Leningrad, attend a luncheon hosted by the mayor and tour the Hermitage Museum before leaving for home in the afternoon.

No's entourage includes Foreign Minister Choe Ho-chung, Trade and Industry Minister Pak Pil-su, Science and Technology Minister Kim Chin-hyon, Korean Ambassador Kong No-myong, Special Presidential Political Assistant Yi Hong-ku, and Presidential Security Chief Yi Hyon-u.

Others are Adm. Kim Chong-ho, chief of naval operations; Kim Chin-chae, chief secretary to the president of the Democratic Liberal Party; Senior Presidential Secretary for Economic Affairs Kim Chong-in; Presidential Assistant for Diplomacy and Security Kim Chong-hwi; Senior Presidential Secretary for Protocol No Chang-hui; presidential spokesman Yi Su-chong; presidential physician Choe Kyu-wan; Foreign Ministry Chief of Protocol Pak Kon-u; and Na Won-chan, European bureau chief at the Foreign Ministry.

Passengers on the presidential plane include Sunkyong Group Chairman Choe Chong-hyon, Kohap Group Chairman Chang Chi-hyok, Hyosung Group Chairman Cho Sok-nae, Hanjin Group President Cho Chung-kon, Lucky-Goldstar International Corp. President Ku Pyong-hwe and Daewoo Group Vice Chairman Yi Sok-hui.

Hyundai group founder Chong Chu-yong, Samsung Group Chairman Yi Kon-hui, Kolon Group Chairman Yi Tong-chan, and Ssangyong Group Chairman Kim Sok-won are already in Moscow.

Paper Previews Visit

SK1412040990 Seoul HANGYORE SINMUN in Korean 12 Dec 90 p 2

[Editorial: "The President's Visit to the Soviet Union and Improvement of North-South Relations"]

[Text] On 13 December, President No Tae-u will visit the Soviet Union, the first time a Korean president has done so. Looking back at the past, when all people denounced the Soviet Union's atrocity of shooting down a Korean airliner in September 1983, we feel that the world has markedly changed.

The president's visiting the Soviet Union and holding summit talks with President Gorbachev when it is only two months since diplomatic relations were established between Korea and the Soviet Union cannot help but be very exceptional in terms of international diplomatic practice. The president's unusual visit to the Soviet Union with the situation around the Korean peninsula rapidly changing at the end of the East-West cold war is seen as part of the efforts to meet this change.

First of all, we think that the impact of President No's visit to the Soviet Union on the improvement of North-South relations is a matter of the greatest interest. We still vividly remember that when Korea established diplomatic relations with the Soviet Union, North Korea bitterly accused the Soviet Union. Since then, North Korea, which seems to have been affected by the establishment of Korean- Soviet diplomatic relations, has unexpectedly proposed negotiations for establishing diplomatic relations with Japan and has shown eagerness over North-South high-level talks. Without a word, North Korea sent its delegation to Seoul for the third round of high-level talks, during which time President No will leave for the Soviet Union. In view of this, the improvement of Korean-Soviet relations does not appear to be a big obstacle to improvement of North-South relations. Nothing would be better than North Korea regarding the establishment of North-South diplomatic relations as a stark fact and making efforts to improve North-South relations. We are of the opinion that if President No explores ways for cooperation with the Soviet Union during his visit, and has an attitude of not "isolating" North Korea but rather properly accommodating its position, his visit will indeed be conducive to ending the cold war on the Korean peninsula, to building a new order of reconciliation and cooperation, and to improving North-South relations.

Besides the effects of President No's visit to the Soviet Union on North-South relations and the situation around the Korean peninsula, we are focusing on how much Korea can help the Soviet Union, faced with difficulties as it is. It is well known that the Soviet Union is suffering from economic difficulties. The Soviet people are reportedly expecting that President No will come with something great. Because one of the reasons that the Soviet Union forged diplomatic relations with Korea in defiance of North Korea's objections lies in economic cooperation with Korea, we think economic cooperation with the Soviet Union that benefits both sides is inevitable. We expect President No's visit to the Soviet Union to contribute to improving North-South relations and to easing tension on and around the Korean peninsula.

No's Visit to Moscow Hailed

SK1412014490 Seoul THE KOREA TIMES in English 14 Dec 90 p 6

[Editorial: "ROK-Soviet Summit in Moscow"]

[Text] The national flag of the Soviet Union, the red hammer and sickle, fluttered, along with Korea's flag, on the main streets of Seoul, for the departure of President No Tae-u on his historic visit to Moscow yesterday. And No, the first Korean chief of state ever to visit the Soviet Union, will hold a summit meeting with his Soviet counterpart Mikhail Gorbachev in the Kremlin today.

The Korea-Soviet summit is a salient demonstration of convulsive changes in bilateral relations as well as the overall situation in East Asia: the ending of hostile relations between the two countries and the ushering in an era of reconciliation and cooperation.

From the severance of diplomatic relations between Korea and Russia in 1905, the countries remained estranged from or hostile to each other until recent years. Their relationship hit its lowest when North Korea, assisted by the Soviet Union started an unprovoked war against the South in 1950. The Soviet military's shooting down of a Korean airliner killing the 269 crew and passengers aboard seven years ago was another mishap that hampered mutual rapprochement.

But the ice began to thaw with the Soviet participation in the 1988 Olympic Games in Seoul and the promotion of the Northern Policy (Nordpolitik) of the No Tae-u government, taking advantage of the sweeping political and social changes overtaking the Soviet Union and Eastern Europe.

The Soviet Union, of course, also saw a need to better the relationship with Seoul, in order to press ahead with Gorbachev's perestroyka reform program, for which it was prepared to risk its traditional friendship with the North Korean regime. In short, the two countries have found themselves to be good partners in pursuit of important policies—Nordpolitik for Korea and Gorbachev's reform and openness in the Soviet Union.

Today's official summit is actually their second meeting, being preceded by their first, unofficial session in San Francisco on last June 4, in which they tentatively agreed to establish a formal diplomatic relationship. Of course, there have been other important developments in bilateral ties, starting with the reciprocal setup of trade offices and ensuing consular departments, and culminating with the historic establishing of a formal diplomatic relationship on September 30, this year.

In parallel with the diplomatic developments, the countries are seeing rapid growth in their mutual personnel exchanges and trade volumes. For instance, the total number of Korean and Soviet visitors was 393 in 1987, the year before the 1988 Seoul Olympics, compared with 8,696 during the first nine months of this year, and the

$150 million in trade in 1987 increased to $568 million during the same nine month period this year.

No's visit to Moscow and his talks with Gorbachev and other Soviet leaders will undoubtedly accelerate the ongoing economic cooperation and step up political and diplomatic collaboration for bilateral amity and peace in East Asia.

It is good to hear that the Korean and Soviet leaders will issue a joint communique, called a Moscow declaration, pledging their joint endeavors to bring about a new political order and terminate the Cold War structure that has been in place for the past 45 years on the Korean peninsula.

In order to further promote two-way cooperation in economic, cultural, scientific and other fields, it is necessary for the two governments to sign agreements on trade, investment protection, the avoidance of double taxation and science-technology cooperation on the occasion of the visit.

At the same time, also needed is a clear-cut Soviet stand on the liquidation of the unhappy past that the two countries have experienced. Among other things, the Soviet leadership is called on to take responsibility for its role in the internecine Korean War and its inhumane shooting down of the KAL passenger aircraft, in one form or another. The sound evolution of a new Korea-Soviet relationship must begin with the satisfactory settlement of the unsavory heritage of the past.

Significance of Visit Viewed

SK1312131390 Seoul HANGUK ILBO in Korean 13 Dec 90 p 4

[Article contributed by Kudasov, deputy editor in chief of the Soviet magazine PROBLEMY DALNEGO VOSTOKA: "Its About Time for the ROK and the USSR to Start Talking About Asian Version of 'Collective Security'"]

[Text] [HANGUK ILBO editor's note] Prior to President No Tae-u's historic visit to the Soviet Union on 13 December, Sergey Kudasov, 41, deputy editor in chief of PROBLEMY DALNEGO VOSTOKA, published by the Soviet Academy of Sciences, sent to this paper a contributing article on his view of the ROK-USSR summit meeting and on the future of ROK-USSR relations via our correspondent in Moscow Yi Chang-hun. Kudasov, who once was the NOVOSTI News Agency correspondent in Pyongyang, is an expert on Soviet policy toward the Korean Peninsula and is well versed in the situation of the North and South. His current visit to Korea is his sixth, including one that was made at the invitation of CHOSON ILBO. [editor's note ends]

One cannot stress the significance of President No Tae-u's visit to the Soviet Union too much. In this context, his visit to the Soviet Union can be described as a major event of historical significance that will open the door to a new era. In fact, the ROK and the Soviet Union had bleak and abnormal political ties and it took 45 years for the two countries to overcome these ties, a long time to waste. Through President No's visit to the Soviet Union, following the establishment of diplomatic relations last September, the ROK and the USSR will substantiate their cooperative relations.

Summit talks in Moscow between Presidents No and Gorbachev can be seen as a result of the sustained efforts that the two countries have made for realizing the initiatives for global peace and cooperation taken by the Soviet Union, and particularly by President Gorbachev. Soviet diplomacy based on the "new political thinking," which was first applied to Europe, has led the Soviet Union and the United States to improve their bilateral relations and then opened an era of new detente in the international community. It has expanded its scope all over the world and has finally reached the Korean Peninsula.

In particular, the danger of nuclear war in Europe has gone down drastically. It has now become clear that the United States and the Soviet Union will considerably reduce the number of strategic nuclear weapons through their negotiations. Unfortunately, however, Asian countries such as the ROK, Japan, and the Philippines which keep U.S. military bases in their territory seem to be constantly under the threat of nuclear war. This being the case, easing tensions on the Korean Peninsula can be said to be a hope of phased reduction of the danger of nuclear war throughout the world. Seen in this light, the setting up of diplomatic relations between the ROK and the Soviet Union and the summit meeting are significant in ensuring peace and security in Asia.

In the wake of President No's visit to the Soviet Union, the two countries are expected to rapidly promote relations in all areas of politics, economy, and culture. There is no question about this prospect. The close ties between the two countries certainly will have considerable impact on the situation not only in northeast Asia, but also on the Korean Peninsula. At the same time, the two countries are expected to keep mutual cooperation and complementary roles in place in order to create conditions for detente.

As a result of the Soviet-initiated improvement in relations with the ROK, the two countries now find it inevitable to keep cooperating with each other in the spirit of expanding cooperation and mutual interest to the fullest extent and the summit meeting in Moscow no doubt will contribute to encouraging such an atmosphere.

In my opinion, it is very important that the leaders of the two countries make visible that they have produced clearly substantial results in the political areas, including peace and security, in northeast Asia, during the summit meeting. Judging from the current development of the situation, I find it inevitable to decide that now is the most appropriate moment to start talking about institutionalizing a European-type collective security system in northeast Asia. I consider it necessary for the two leaders to discuss this during the summit talks. The Soviet

Union should be more active in its effort to readjust its relations with North Korea, its military ties with North Korea in particular, in order to ensure stability on the Korean Peninsula.

Accordingly, the ROK should also contribute to easing tensions in Asia and the Pacific on its own or through negotiations with Pyongyang, thereby playing its part in creating a structure aimed at removing the international confrontation. It seems that the time has come for Seoul to make a decision on the issue of turning the Korean Peninsula into a nuclear-free zone out of consideration for the people on the peninsula and even those in its neighboring areas. I am convinced that the ROK-USSR summit talks in Moscow will certainly produce results that will live up to the hope of all the people on the Korean Peninsula and northeast Asia.

Reportage on No Tae-u's Moscow Visit

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For Soviet and Korean coverage of No Tae-u's Moscow visit, including reports on USSR-ROK accords, please see the Northeast Asia section of the 14 December Soviet Union DAILY REPORT and subsequent issues.

Report Cited on Possible Gorbachev Visit in Feb

SK1412013090 Seoul THE KOREA TIMES in English 14 Dec 90 p 2

[Text] Tokyo (Yonhap)—Soviet President Mikhail Gorbachev is expected to make a return visit to South Korea around next February, according to a report by a vernacular daily here yesterday.

South Korean President No Tae-u is visiting the Soviet Union, the first ever by a Korean head of state.

The Yomiuri Shimbun said that the presidents of the two countries are likely to reach an agreement on a peace settlement on the Korean peninsula during their summit talks today.

"President Gorbachev is expected to announce the declaration when he visits Seoul around February next year," the daily reported, quoting diplomatic sources in Moscow.

The envisioned declaration will show the world that the "close relations" between South Korea and the Soviet Union is comparable to an alliance between the Soviet Union and North Korea. The Soviets have acted as a major ally of North Korea for more than four decades.

N. Delegation Departs Following 'Fruitless' Talks

SK1412062590 Seoul YONHAP in English 0537 GMT 14 Dec 90

[Text] Seoul, Dec. 14 (YONHAP)—North Korean Prime Minister Yon Hyong-muk crossed the border with South Korea on Friday on his way home from talks in Seoul.

Yon and his 90-member delegation walked through the truce village of Panmunjom, which straddles the demarcation line that has divided the Korean Peninsula into two since 1945, after two days of fruitless talks with his South Korean counterpart.

They have only agreed to hold the fourth inter-Korean premiers' talks in Pyongyang in February.

An Pyong-su, spokesman for the northern side, said the talks should not retreat or stand still but make progress in accommodating each other's opinion.

N. Spokesman 'Ominous' on Next Round of Talks

SK1412080390 Seoul YONHAP in English 0544 GMT 14 Dec 90

[By Yi Tong-min]

[Text] Seoul, Dec. 14 (OANA-YONHAP)—The prime ministers of South and North Korea, demonstrating once again the depth of the differences that divide their nations, could not even agree on the first step to take toward peace and reunification in talks in Seoul Wednesday and Thursday.

South Korea went into the talks hoping for at least partial agreement on common ground such as linking the South and North Korean military authorities by hotline and opening transportation and communications links, but such was not to be.

Hope evaporated at the first hurdle, the question of whether an agreement on improving inter-Korean ties (as the South had proposed) should come before a non-aggression declaration (as the North wanted).

With the euphoria of the two earlier rounds of talks missing, each side found plenty to complain about.

The South was incensed when North Korean journalists ignored agreements on protocol, giving their guides the slip and racing off to the home of Yim Su-kyong, a student activist in jail for visiting Pyongyang without government permission, on the first day of the talks.

The following day President No Tae-u left for Moscow and the North lashed the South with charges of "beggar's diplomacy" and "politics of supplication."

The pinacle of positivity was reached early on, in the key-note speeches of the two prime ministers, when the South's Kang Yong-hun and the North's Yon Hyong-muk seemed to indicate a willingness to partly accommodate each other's position.

Kang laid out a revised draft proposal that included promises to adopt a non-aggression declaration in his basic agreement on improving inter-Korean relations.

Proposing an eight-point draft non-aggression pact, Kang suggested the matter be discussed by a joint subcommittee on South- North political and military affairs to be established within one month of his basic agreement being adopted.

Kang's draft urged, among other things, abandonment of all forms of aggression, peaceful settlement of all disputes and a halt to attempting to destroy and overthrow the other side's government.

Yon tabled a proposal that, in addition to non-aggression, included the words "reconciliation and cooperation" in its title. The South said the title was the only thing that had changed and it was the same proposal that had been spurned in the Pyongyang round of talks.

The proposal called for mutual respect for the ideas and systems of the other side, a stop to mutual slander, opposition to the use of force, phased reduction of arms, an end to the arms race, military confidence building and turning the Demilitarized Zone into a peace zone.

It was a repetition of the North's persistent demand for an immediate agreement on non-aggression, the South charged.

The South urged at least partial agreement on smaller issues as the talks faltered, calling for a halt to mutual slander, reunions of separated families, economic exchange and cooperation and hot lines between the premiers.

This was flatly rejected by Yon, crushing any lingering hope there may have been that the talks might yield some progress.

The deep-rooted distrust that resurfaced this week is so gorged on decades of hatred and enmity that substantial results are likely to be a long time in coming.

Seoul is unable to trust Pyongyang's motive in insisting on a non-aggression declaration, saying 40 years of tension must be eased first for the words and promises to have any meaning.

The South has many painful reasons to distrust the North, events that have scarred the communal psyche and live vividly in individual memories—the invasion and fratricidal war in 1950, the 1983 bombing in Rangoon, Burma, that killed 17 senior officials and narrowly missed then President Chon Tu-hwan, and the 1987 bombing of a Korean Air passenger plane that claimed the lives of all 115 people on board.

South Korea also questions the North's sincerity in the talks.

Southern spokesman Yim Tong-won accused the North Koreans of "trying to slander and overthrow the South Korean government even in the course of the high-level talks."

Political analysts point to the mounting pressure on North Korea to acquiesce to the inter-Korean talks. Pyongyang, badly in need of improved relations with Japan to save its ailing economy, is being pressured by Tokyo to continue the dialogue with Seoul, analysts say.

China and South Korea's newest diplomatic partner, the Soviet Union, are also major behind-the-scenes forces pressing North Korea to open up.

Unwillingness to carry out real change is behind North Korea's repeated criticism of the imprisonment of Yim Su-kyong and others for visiting North Korea and of the South Korea-U.S. joint military exercise "Team Spirit," the analysts say.

North Korean spokesman An Pyong-su sounded an ominous note at the end of the two-day talks, telling reporters that the fourth round scheduled for Feb. 25-28 could be "seriously" affected if South Korea went ahead with the "Team Spirit" maneuver.

It is thought to be no coincidence that the dates coincide.

While the doors are open for high-level talks, the doors to reconciliation and cooperation remain firmly locked and barred with the key secure in Pyongyang.

Agents Assault Newsman Covering North Visit

SK1412081490 Seoul SEOUL SINMUN in Korean 14 Dec 90 p 14

[Text] At 0940 on 13 December, 33-year old reporter Chin Chong-yong of the photo department of HANGYORE SINMUN, who was covering the departure scene of the North's Pyongyang traditional music group, was assaulted by agents of the National Security Planning Agency in charge of security, after quarreling with them in front of the entrance of the Sheraton Walker Hill Hotel, located at Kwangjang-tong, Songdong District, Seoul.

Reverend Mun Reportedly Under House Arrest

SK1412123990 Seoul HANGYORE SINMUN in Korean 14 Dec 90 p 15

[Text] On 13 December, the police placed 72-year-old Reverend Mun Ik-hwan under house arrest after the North Korean reporters' surprise visit to the house of Yim Su-kyong and to some universities on 12 December.

This is the first time under the Sixth Republic that a dissident figure has been placed under house arrest.

According to Rev. Mun, the police came to his house in Seoul at 1000 that day and notified him "you cannot go anywhere today" and "if the North Korean reporters come to your house, we will block them."

The police said he was under house arrest because he likely would try to get in touch with the North Korean reporters. They then placed their combat policemen on the road near the Rev. Mun's house to check all visitors. About 100 policemen, including two platoons of combat police, were stationed near his house. But the North Korean reporters did not visit his house on 13 December.

Seoul To Form Research Group on North's Economy

SK1412012090 Seoul THE KOREA TIMES in English 14 Dec 90 p 8

[Text] The government will form a research committee on the North Korean economy comprising experts from 14 state-run institutes to prepare for inter-Korean economic exchanges and reunification.

The research committee, to be chaired by Ku Pon-ho, president of the Korea Development Institute (KDI), will be composed of experts from the KDI, the Korea Institute for International Economic Policy (KIEP), the National Institute for Economic System and Information (NIESI) and the Korea Institute for Economics and Technology (KIET) and others.

The Economic Planning Board said yesterday that the committee will hold inaugural session Monday at the KDI.

The members will discuss North Korean economic situations and ways for inter-Korean economic exchanges in five divisions—economic operations, budgetary and financing operation, industry and trade, national land development and social welfare.

The committee will analyze North Korean economy through seminars and public hearings by April next year.

Two TV Producers Charged With Contacting North

SK1212015790 Seoul THE KOREA HERALD in English 12 Dec 90 p 3

[Text] Two producers of the Korea Broadcasting System (KBS) are under investigation by the prosecution on charges of contacting officials of the North Korean Embassy in Mongolia without government permission while on news coverage, the prosecution said yesterday.

Prosecutor Hong Kyong-sik at the Seoul District Prosecutor's Office said Cho Tae-hyon and Ko Hui-il, KBS television producers, were booked without physical detention under the National Security Law which bans any contact with North Koreans without government permission.

Hong said the prosecution will soon summon the two suspects and make a thorough investigation into their alleged crime before deciding whether to bring them to trial.

The Agency for National Security Planning had already interrogated the two producers and referred them to the prosecution last Friday, Hong said.

The two producers covered Mongolia last July to make a feature story on Mongolian nomadic life, customs and shamanism. KBS aired Nov. 7 to 8 the feature titled "The Last Nomadic Tribe" and "The Smile of the Altais."

Two North Koreans Try To Defect by Ship

SK1212002490 Seoul THE KOREA HERALD in English 12 Dec 90 p 3

[Text] Two North Koreans who slipped aboard a Singapore cargo ship at a Chinese city bound for Japan tried in vain to defect to South Korea Dec. 8, it was reported yesterday.

According to a Navy spokesman, a Navy patrol boat, during its "communication rummage" of the Asiana Express sailing toward Inchon off the West Coast, was told by the captain of the 10,000-ton Singapore cargo ship that "two North Koreans, on board here, want to defect to the South."

It was 11:30 a.m. Dec. 8, and the ship was about 100 miles southwest of Paekyong-to, Ongjin-kun, Kyonggi-to, the spokesman said.

The captain of the patrol boat reported it to his superior, but the Asiana Express, receiving no reply, sailed toward Japan, according to the spokesman.

The two North Koreans are Son Sang-kwon, 36, an official of a public health center of Unryul, Hwanghaenam-to, and Yi Chang-nok, 34, a truck driver in Sonnim City, Hwanghaenam-to.

Son and Yi escaped from North Korea Oct. 8 as they were wanted by North Korean authorities, crossing the Yalu River to China and down to Jinan, where they slipped onto the Asiana Express Dec. 6, according to the spokesman.

But it was not known why the two were wanted by the North Korean authorities, and why the captain of the Asian Express received no reply from the South.

Chinese Firms Seek Joint Ventures With South

SK1312035990 Seoul THE KOREA HERALD in English 13 Dec 90 p 6

[Text] Over 40 Chinese firms are seeking joint ventures with Korean companies by suggesting concrete project terms.

Ren Zhong-xuan, deputy director of the China International Corportions Association of Small and Medium Enterprises (CICASME), said yesterday that 42 Chinese firms want to do business with Korean concerns in the form of joint ventures.

Ren and five other Chinese business officials are to have negotiations with local firms for new projects until Dec. 20.

Chinese companies are all out to set up joint ventures with Korean firms by suggesting detailed terms, including investment formulas and facility technology, Ren said.

The machinery, electric and electronics sector tops the list with 13 companies enthusiastic about seeking joint ventures with Korean partners, he said. The second place goes to the car component sector with seven firms.

Four companies, each in the building material sector, the furniture, and industrial art objects field, want joint ventures.

Three chemical firms, two food companies and five light industry-related concerns showed their intention of establishing joint projects with Korean firms.

Daewoo, British Aerospace Sign Tech Package

SK1212003690 Seoul THE KOREA TIMES in English 12 Dec 90 p 8

[Text] Daweoo Corporation contracted a technology cooperation package with British Aerospace Ltd., a leading European manufacturer of communication satellites, last Saturday.

Daewoo Corp. will be provided with technology related to the development of communication satellites from the British company, gaining an advantageous position to participate in the Korea Telecommunication Authority's project to launch Korea's first telecommunication satellite, "Mugunghwa."

The London-based British Aerospace has more than 60 percent of the communication satellite marked in Europe. It has manufactured and launched about 20 communication satellites so far in cooperation with the French company, Matra Space.

Cuba, North To Compete in Baseball Tourney

SK1112122590 Seoul YONHAP in English 0911 GMT 11 Dec 90

[Text] Seoul, Dec. 11 (OANA-YONHAP)—Cuba, North Korea, the Soviet Union and China will compete in the 4th International Baseball Association (IBA) Presidential Cup baseball tournament in South Korea next summer.

China, the Soviet Union and Cuba, which has so far avoided sports ties with South Korea, recently informed the organizing committee they wished to enter and applications will be sent to them this month, said Kim Chong-nak, chairman of the Korea Amateur Baseball Association.

"We are sure Cuba will answer because ranking Cuban baseball officials such as National Association Chairman Manuel Gonzalez Guerra have notified us of their intention to send the Cuban team to Seoul," Kim said.

The 30-member Cuban team will arrive after an exchange match in Japan in May for the June 14-23 tournament, surprising many as it has been avoiding sports ties with South Korea due to being a long-time ally of North Korea on the international scene.

North Korea, which made its international baseball debut by joining the Baseball Federation of Asia in May, confirmed it will take part in the Seoul competition through North Korean Baseball and Softball Association Chairman Yi Chang-son during the world championship in Edmonton, Canada, in August, Kim said.

"It is likely North Korea will send a team to Seoul unless political affairs intervene as its intention to participate was reaffirmed during the 1990 Beijing Asian Games in October," he said.

Participation of North Korea could be fixed this month as IBA Chairman Robert Smith, Japan Amateur Baseball Association (JABA) Chairman Eiichiro Yamato and Chong Chol-hui, chairman of a baseball association for pro-Pyongyang Korean-Japanese, will visit Pyongyang to discuss the matter on Thursday, he said.

An international mood has been created that will lead North Korea to Seoul as JABA has proposed friendly matches among South Korea, North Korea, China, Japan and the Soviet Union in Tokyo and Osaka around the end of May, with a chartered jet flying all of the teams to Seoul for the tournament, he added.

Kim said, "If North Korea sends a team, it will be the first inter-Korean baseball exchange and I am very positive in view of the current international tacit agreement and cooperation."

No Receives Soviet, Sudanese, Norwegian Envoys

SK1112083390 Seoul YONHAP in English 0816 GMT 11 Dec 90

[Text] Seoul, Dec. 11 (OANA-YONHAP)—Oleg Sokolov, the Soviet Union's first ambassador to South Korea, visited Chongwadae on Tuesday morning and presented his credentials to President No Tae-u.

Upon receiving Sokolov at his office, No said, "Our people anticipate my trip to Moscow will have fruitful results, so please help your country cooperate toward that end. I believe you will do good work in the best interests of our two countries."

Later, No recieved the credentials of Ambassadors Attalla Hamad Bashir from the Sudan and Gunnar Lindeman from Norway.

Ministry To 'Pour' Funds Into Agriculture

SK1112073890 Seoul YONHAP in English 0702 GMT 11 Dec 90

[Text] Seoul, Dec. 11 (YONHAP)—The Science and Technology Ministry will pour 2.4 billion won into 39 projects to develop agricultural technologies, ministry officials said Tuesday.

The emphasis of the projects, due to start next year and run until they reach fruition, will be on producing technologies that can help South Korean farmers cope with agricultural market opening, they said.

Forecasting full market opening around 1997, the ministry plans to use half of the 2.4 billion won to subsidize 15 projects that it believes will raise the competitiveness of Korean farm produce on the international market.

The ministry, in cooperation with other government agencies, will select 24 other projects from more than 100 proposed by colleges of agriculture and will give 50 million won to each.

Top-priority projects include finding a way to mass produce seed potatoes developed by genetic engineering and vitamin B2 for animal feed, and developing a drink made from steamed ginseng, a disease-resistant strain of strawberries and specialized microbes for farm use.

Some projects are likely to be commercialized within one or two years while others will take at least three years, the officials said.

*Measures Taken or Planned for UR Negotiations

912C0028 Seoul MAEIL KYONGJE SINMUN in Korean 15 Oct 90 p 3

[Article compiled by the Economic Department of MAEIL KYONGJE SINMUN]

[Text] With only a little more than two months to go before the deadline expires for the conclusion of the Uruguay Round (UR) negotiations, the entire nation's attention is now being focused on the final phase of the negotiations.

The government is making concerted efforts toward these negotiations, especially in preparation for the high-level TNC (Trade Negotiations Committee) talks scheduled to begin this week [the week of 14-20 October].

In line with these efforts, the government is not only sending to Geneva a multitude of working teams from various ministries and agencies but has also decided to have concerned representatives from the National Assembly, the industrial sector, and the academic world visit Geneva at the same time to form a cooperative front with the official teams.

What follows is an examination of the activities and planned courses of action by the concerned components of the government in dealing with the UR negotiations:

Economic Planning Board [EPB]

The director of the EPB's External Coordination Office is in overall charge of the government's UR Countermeasure Working Committee; on the specific side, the EPB is concentrating its effort on those aspects of the negotiations that deal with the questions of intellectual ownership and service trade.

To begin with, pursuant to its policy to cooperate toward the resolution of pending issues before the deadline of the UR negotiations, the EPB on 14 October dispatched Chang Sung-u, director of its External Coordination office, and Kang Pyong-il, chief of its Third Trade Coordination Section, to attend the TNC talks in Geneva.

In the negotiations having to do with services, the most fundamental points of contention are the definition of service trade and the scope of the definition's application. In this regard, while our government is advocating an all-inclusive universal coverage, countries such as the United States, Japan, and Austria are taking the position that certain areas of service, including aviation and shipping, be dealt with separately through bilateral negotiations. Thus the fate of the negotiations hinges on the flexibility of the United States and the EC—especially on whether or not the United States will be willing to accept an all-inclusive coverage.

Ministry of Agriculture and Fisheries [MAF]

Sometime this week the MAF plans to dispatch to Geneva a negotiating team to deal with the question of agricultural products; the team will present a country list to the talks.

The ministry also plans to hold on 16 October a public hearing with farmers' representatives to hear their views on the question of supplementing the TNC-designated items; by the latter part of October the ministry plans to complete the work of preparing its offer list.

Noteworthy is the MAF's plan to establish a negotiations support base in Geneva as part of its all-out effort to deal with the final phase of the UR negotiations.

On 12 October the ministry's Import Liberalization Countermeasure Special Committee held a meeting to hear farmers' views regarding the list of TNC-designated items; at that meeting, farmers' representatives proposed that the following items be considered for supplementary designation: beans, corn, potatoes, sweet potatoes, mandarin oranges, ginseng, apples, and tobacco. In order to strengthen a united front with those countries whose interests in this matter coincide with ours, the MAF plans to dispatch high-level officials to those countries during the month of November.

Ministry of Finance [MOF]

The MOF is faced with the task of dealing with the final phases of negotiations involving four subject areas: tariff, subsidy countervailing tariff, trade-related investment, and financial services.

The ministry's chief of International Finance Section is currently participating in the financial negotiations in Geneva, which started on 9 October and are to last until 20 October.

In addition, also in Geneva, a meeting to discuss subsidy countervailing tariff is scheduled to begin on 16 October and negotiations on tariff, too, are scheduled to get underway before the end of October.

In anticipation of the conclusion by the end of November of substantive negotiations on all four of these subject areas, the MOF is making concerted efforts to have our country's positions reflected in these negotiations.

In the case of tariff negotiations, in particular, the MOF is aggressively pursuing bilateral negotiations in order to seek lower tariffs on major export items of our country.

In the case of financial negotiations, in view of the wide gap still separating the positions of the advanced nations on one side and of the less-developed nations on another, the outcome cannot be looked forward to with optimism at this stage.

Ministry of Trade and Industry [MTI]

In dealing with the UR trade talks, the MTI's plan is to dispatch large numbers of substantive officials representing its concerned bureaus in order to aggressively ensure that our country's positions are well reflected throughout the course of negotiations. For this purpose, the MTI on 15 October sent a negotiating team made up of principal section chiefs of its Commerce and Trade Bureau, Textile Bureau, and Trade Committee under the administrative leadership of Chang Sok-hwan, the international cooperation officer of the ministry.

In the area of textiles, the delegation plans to deal with it in concert with export-developing nations while insisting that the quotas be allowed to increase automatically in accordance with the standards and principles already agreed upon among many nations.

With regard to the question of emergency import restriction measures (safeguards), the MTI has decided to let the delegation insist that exemptions be granted only to such control measures that are nondiscriminatory and of short-term nature.

In dealing with the question of multilateral trade agreements, the MTI intends to have its delegation call for the strengthening of the existing antidumping agreements and at the same time make maximum efforts to block any attempt to introduce new schemes such as circuitous dumping. On the question of tariff-free provisions, in view of the fact such major countries as the United States and Japan have yet to submit their offer lists, the MTI's strategy, too, is to delay the submission of its list as long as possible.

In the meantime, acting on the instructions of its minister, Pak Pil-su, the MTI has begun a sweeping sector-by-sector review of its current commercial and industrial administration in preparation for the changes expected in the international trading environment upon the conclusion of the UR trade negotiations.

Ministry of Communications [MOC]

The fourth meeting of communications experts opened on 15 October: this meeting will be the final round of substantive negotiations involving communications issues in the UR trade talks.

This meeting, being held in Geneva until 17 October, is intended to finalize the draft agreement that had been prepared on the basis of proposed annexes submitted by five groups of nations—South Korea, the United States, the EC, Japan, and the developing nations. The MOC has dispatched to this meeting a five-member delegation that includes Ku Yong-po, a section chief assigned to the ministry's communications liberalization study group. At the meeting, the delegation is pressing for a positive decision that specifically identifies the types of communications services to be liberalized.

In the case of our country in particular, the situation is such that, should the UR talks fail to settle the communications issue, we will be obliged to negotiate a bilateral agreement with the United States.

For this reason, it is the MOC's judgment that a resolution of this issue at the current UR talks would be much more advantageous for our country. The MOC recently established a UR communications countermeasure council, which is in the process of formulating countermeasures to deal with a variety of contingencies that may arise depending on the outcome of the UR negotiations.

Patent Office

The basic attitude of this agency toward the UR negotiations on intellectual property rights is based on the agency's judgment that resolving this issue at multinational UR talks not only will serve as a catalyst for strengthening the protection standard for the domestic intellectual property rights but also is more advantageous from our country's standpoint than having to settle it through separate bilateral negotiations with the United States, the EC, and others.

But when it comes to the question of protecting the ownership rights on such new intellectual properties as semiconductor chips, business secrets, data base, and declaration of place-of-origin, the agency intends to concentrate its effort to reducing the scope of such rights as much as possible.

Meanwhile, with regard to the scope of the current compulsory enforcement rights, contrary to a significant curtailment of the scope as being advocated by major industrialized nations, this agency intends to take the position that favors keeping such curtailment to a minimum while clearly enunciating the obligations of the rightful parties.

Ministry of National Construction [MNC]

The MNC is, if anything, somewhat relaxed about the UR negotiations because these negotiations are not necessarily all negative in terms of the impact on our domestic construction industry; rather, they may prove to be a turning point that could open the way for our construction industry to make inroads into overseas markets.

As the first step toward expanding our inroads overseas, the MNC is concentrating on securing the right of participation in the construction markets of such advanced industrialized nations as the United States and Japan. Accordingly, the MNC has conveyed our country's position on this matter to the meeting of construction experts which opened last week [the week of 7-13 October] in Geneva as part of the UR negotiations. To the United States, in particular, the MNC is making it very emphatic that it should lower the rate of security deposit on a construction project to 10 percent of the project value and that not only U.S. banks but also other banks of international recognition should be allowed to serve as the guarantor.

To Japan, the MNC is urging that it open up its construction projects so that our domestic construction companies could participate in them.

Domestically, the MNC's basic strategy is to encourage construction companies to pool their resources together in the interest of strengthening their competitiveness and to make concerted efforts to accumulate advanced construction technologies.

Burma

More on NLD-DAB Alternative Government Plans

BK1412030990 London BBC World Service in English 0215 GMT 14 Dec 90

[From the "Radio Newsreel" program]

[Text] [Word indistinct] reports from Thailand say that a group of Burmese political parties have come to announce the formation of an alternative government inside Burmese territory. Two of them, the National League for Democracy [NLD] and the Democratic Alliance of Burma [DAB] have held talks near the Thai-Burmese border. In last May's elections the National League for Democracy won an overwhelming victory, but was denied power by the military government. Pam O'Toole of the BBC's eastern service reports.

[Begin O'Toole recording] The delegation is made up of opposition politicians who were elected to the Burmese parliament in May but haven't been allowed to take their seats. Twelve of these MP's, most of them from the National League for Democracy, are said to have arrived at the Thai-Burmese border. Another eight are reported to be on their way. They've been holding talks with representatives of a coalition called the Democratic Alliance of Burma about proposals to set up an alternative government in the Burmese jungle.

The NLD representatives are led by Dr. Sein Win, who's a cousin of the party's detained leader, Aung San Suu Kyi. They represent constituencies throughout Burma, and say they have a mandate from more than 250 of the party's members of parliament. The move suggests that the NLD has now accepted that the Rangoon military government will not hand over power voluntarily, and that it has no chance of setting up an alternative government in Burma's major cities. Aung San Suu Kyi has been under house arrest since July last year. Most of the party's other top leaders were jailed in a wave of political arrests which began in September. These arrests appear to be continuing. Talks with the Democratic Alliance of Burma, a broad coalition which includes ethnic insurgents and students, are still going on. An announcement is expected early next week. [end recording]

Four-Part Series on Guo Gan Drug Lords Begins

Want 'Out' of Narcotics Trade

HK1412075390 Hong Kong Television Broadcasts Limited in English 1115 GMT 11 Dec 90

[Video report by Peter Maize from "News at 7:15" program—first of four- part series on drug lords in Guo Gan, Burma]

[Text] Drug lords who produce three-quarters of the world's heroin say they want to get out of the narcotics trade. That startling announcement was made last month in a remote area of Burma. A TVB [Television Broadcasts] news team has just returned from the infamous Guo Gan region of Burma. Tonight, we begin the first of four stories on the drug lords of Guo Gan, who they are, what they want, and what life in the heroin capital of the world is really like.

Guo Gan is a mountainous land five times the size of Hong Kong, nestled on the Burmese northeast border. Most of the people are ethnic Chinese whose ancestors came here at the end of the Ming Dynasty more than 300 years ago. Warlords here have battled the communists, the government, and themselves over the past few decades. Now, they say they are surrendering the one thing that has become synonymous with Guo Gan, narcotics.

Opium is part of life in the region. It is legal in the eyes of the warlords who rule Guo Gan. They place taxes on it. They also refine locally grown opium and sell it. Last year, 20,000 kg of high-quality No. 4 heroin were produced in Guo Gan. For the last 150 years, opium and then heroin have been the region's only livelihood. Eight of every 10 kg of heroin sold in the world was grown and produced in crude plants like this one. There are more than a dozen such processing plants in Guo Gan, operated by the drug lords.

But within the next 6 years, the drug lords are promising to destroy these operations and stop growing opium.

On this day, they have invited members of Burmese military and international drug experts to watch them destroy a heroin processing plant. Until a year and a half ago, the drug lords were fighting the government. But then they abandoned their allegiance with communists in north Burma to form an alliance and make peace with the Rangoon regime.

During this high profile event, visitors are shown how a heroin plant works and invited to test the powder for authenticity. The goal—to show the drug lords are sincere. Their coalition is known as the National Democratic Alliance. They claim they are willing to abandon the heroin business if the international community will provide them with financial assistance. Simply stated: We will stop producing drugs if you will help us get by without drug money.

Two days after the heroin went up in smoke, the leader of the alliance read an open letter, stating their intention:

[Begin Peng Jiasheng recording in Mandarin]: We plan to stop refining heroin by 1991, and within 6 years, to completely end the planting of opium poppies. [end recording]

It is a startling plan, but why? Why give up billions of dollars from the heroin trade? Tomorrow, the most powerful drug lord in Guo Gan will answer that question.

Drug Lord Profiled, Interviewed

HK1412075590 Hong Kong Television Broadcasts Limited in English 1115 GMT 12 Dec 90

[Video report by Peter Maize from "News at 7:15" program—second of four-part series on drug lords in Guo Gan, Burma]

[Text] Last night, we reported that powerful Burmese drug lords plan to abandon their heroin trade. This would shut off 80 percent of the world's heroin supply. The surprising move is bound to raise suspicions about the drug lords' motives. Tonight, we will meet a powerful man in the Burmese narcotics trade. As he explains it, the decision to give up heroin production is based on some very simple facts.

Peng Jiasheng has spent virtually all his life in the mountains of Guo Gan. He now commands 10,000 soldiers and leads a coalition of drug lords. Over the past few decades, Peng has battled communists, government troops, and a host of other challengers. He used to be a communist himself until last year, when Peng staged a coup and drove his former allies out of Guo Gan.

China was willing to support Peng while he was a communist, but after the coup, Beijing immediately shut off all supply lines to Guo Gan. Suddenly, Peng Jiasheng and his people were isolated, without allies, without support, with only the heroin trade to sustain them. Peng took a look at the future and did not like what he saw. The only way out, he claims, is to give up the drug business in exchange for international aid.

Peng says he has three goals in life: Overthrowing the communists, ending heroin production, and improving living standards in Guo Gan.

[Begin recording in Mandarin] [Peng Jiasheng] I want, during my life, to fulfill these three things, hopefully within six years.

[Reporter] You mean you do not want your young people to carry the name of...

[Peng Jiasheng] The next generation will benefit from our work. [end recording]

Peng persuaded other drug lords in his National Democratic Alliance to go along with the plan. He wants to develop industry here and improve the primitive infrastructure. Peng is betting that the rest of the world will be willing to help him as a reward for dropping the drug business.

[Begin Peng Jiasheng recording in Mandarin] We hope that all countries of the world will know that we are honestly prohibiting the drug trade. We do not want anyone to ever again place the name of drugs on our heads. [end recording]

It is a calculated move that will allow the drug lords to maintain their power while gaining legitimacy in the world community. Of course, there is no talk of abandoning their armies.

Tomorrow, we will take a look at the military might that supports these miniature kingdoms.

Private Armies Spotlighted

HK1412075790 Hong Kong Television Broadcasts Limited in English 1115 GMT 13 Dec 90

[Video report by Peter Maize from "News at 7:15" program—third of four-part series on drug lords in Guo Gan, Burma]

[Text] In the mountains of northeast Burma, 30,000 soldiers are ready for battle. But they don't serve any government. Their commanders are drug lords who make millions of dollars through the heroin trade. Tonight, our special report on the Burmese drug lords focuses on their private armies.

They call themselves the National Democratic Alliance army, 10,000 soldiers strong [as heard]. Their role is to defend the region of Guo Gan, and until recently, to protect the heroin trade.

In Guo Gan, allies can become enemies overnight. Two years ago, these soldiers fought for the communists against the Burmese Government. Then they fought the communists and made peace with the government. Sometimes they fight the armies of other drug lords.

They are chanting: We join together to fight drugs. An ironic slogan for men who have spent their lives protecting the drug trade. But their leaders say it is time to get out of the heroin business, get some international respect, and probably go to war against former allies.

Peng Jiasheng wants a new generation of soldiers, young men who will disdain the heroin trade. Older soldiers are being phased out. Each company, each division is being cut back.

[Begin recording in Mandarin] [Peng Jiasheng] Right now there are 200 men in each company. I intend to reduce this number to 150.

[Reporter] How many will be reduced from the total number?

[Peng Jiasheng] The total reduction will be down by 7,000, 8,000. [end recording]

Although he is reducing the strength of his army, Peng can always rely on 5,000 reserve troops in case he is attacked, which appears likely. Peng's decision to get out of the multimillion-dollar heroin trade is opposed by some other drug lords. If he pursues his campaign to eliminate heroin production, the uneasy coalition of local armies could fall apart. Then new alliances will be formed in Guo Gan and the cycle of violence will continue.

Diplomatic Relations Established With Venezuela

BK1412080190 Rangoon Domestic Service in Burmese 0630 GMT 14 Dec 90

[Text] The Government of the Union of Myanmar [Burma] and the Government of the Republic of Venezuela have established diplomatic relations after exchanging notes on 20 November 1990. They have done so with the intention of improving the bilateral friendship and cooperation with the aims of equal status, honor, and respect for each other's sovereignty, and noninterference in each other's internal affairs, based on the United Nations Charter and rules of international law.

Brunei, Malaysia & Singapore

Singapore

Deputy Premier on ASEAN Economic Growth

BK1212133890 Singapore THE STRAITS TIMES in English 12 Dec 90 p 3

[By Shaun Seow in Paris]

[Text] Paris—Deputy Prime Minister Lee Hsien Loong told top French executives on Monday that he was confident of continued economic growth in the ASEAN region as well as Indochina in the long term.

Economic growth in ASEAN, BG [Brigidier General] Lee said, would be strengthened by the inflow of foreign investments and increased co-operation within the grouping.

In his view, ASEAN states had learned the importance of economic co-operation from the experience of the Newly Industrialising Economies.

He said: "No matter how big a country is, no matter how self-sufficient it may be, and how talented the population, if you are going for economic development...then the best way to do it is to go for competition, to go for free enterprise, and to go for exploitation of resources available not just within your country but also with other countries.

"It will encourage foreign investments to come in on that basis, and they develop opportunities which on your own, you will never have the resources or the wherewithal to put the money in. The prosperity that they create is really your own prosperity."

In the case of Indochina, particularly Vietnam, the growth potential there was immense although growth would not take place immediately, he noted. He said that rapid growth was possible only if the Vietnamese government changed its outlook and working style.

BG Lee, in Paris for a four-day official visit, was speaking at a lunch hosted for about 15 French senior executives on Monday.

The lunch, organised by the Economic Development Board, was aimed at improving Singapore's ties with leading French companies and to encourage more of them to invest in Singapore.

The guests included Mr Francois Missoffe, president of Sofinasia; Mr B. Cambournac, president of the Paris Chamber of Commerce and Industry; and Mr P. Giscard D'Estaing, executive vice-president of the Thomson group.

BG Lee began his 20-minute speech with his observation of the confidence of the French people and how they were committed to long-term planing.

"There is reason for you to be confident, to be ebullient even, because you are in Europe becoming one economy and looking for opportunities in Eastern Europe," he said.

Despite these developments, BG Lee said he believed that France, like the other EC countries, would not become inward-looking as a result.

BG Lee said Europe had no choice but to be integrated into the rest of the world.

"You do depend on Americans for security, if not immediately for defence... you do depend on the Japanese for cross investments and markets in the long term because dynamic and progressive that you are, the Japanese would always have something to offer which will be worthwhile for you to do business with them."

Europe would also have to do business with the markets and economic vibrancy there.

He noted that co-operation was growing within the Asia-Pacific region, manifested by the Asia Pacific Economic Co-operation [APEC] forum involving 12 countries.

These Pacific rim countries understood the advantages of co-operation to smooth over the adjustments which resulted from rapid growth, he said. Together, they would also be more significant in dealing with issues in the General Agreement on Tariffs and Trade and the United Nations.

He said APEC was still "a long way" from the EC as an organisation and the Community had nothing to worry about. "I don't think we are likely to have a single market in the Asia-Pacific for many many years... We may all be around the Pacific rim, but we are also outward looking beyond the Pacific. So it's not an exact parallel, but it's a sign of recognition of stirrings, of identification of opportunities to come."

The same pragmatism and optimism could be observed within ASEAN, BG Lee said.

Giving his assessment of the six-nation grouping, BG Lee said ASEAN had so far focused on political co-operation and was united on the issue of Cambodia.

ASEAN's next phase of development had to be based on economic co-operation, BG Lee said.

Although economic co-operation at the official level was still limited, ties were blossoming between the private sectors of the grouping.

He added: "The approaches of the governments towards economic development have shifted significantly to enable these private free enterprise links to grow and therefore to enable the reality of economic integration and co-operation to proceed quietly and eventually, decisively."

It was in this context that BG Lee observed how individual ASEAN countries like Malaysia and Indonesia now realised the importance of economic co-operation among themselves.

"Over the longer term, it's not only ASEAN that will prosper but also Indochina... It would take some time because the political problems of Cambodia have not been sorted out, because the shift of years of preparing for war to preparing for peace is so drastic that it may take half a generation before new policies can be internalised and the bureaucracy can think in a different way, and a new total approach to the fortunes of the country can be worked out."

BG Lee said Singapore was happy with its own achievements and was looking forward to these positive developments in the region.

In an interview later with French reporters from L'EXPRESS, he reiterated that Singapore welcomed more investments from the EC. He encouraged more small- and medium-sized French companies to invest in Singapore.

European investments, he said, would help prevent the emergence of a yen zone in Asia dominated by Japan.

The wide-ranging interview also touched on the issue of China. He said the challenges facing China included maintaining a stable environment to allow growth to continue.

He also saw the potential of rapidly-growing southern China integrating with the rest of the Asia-Pacific region. This might not be a negative development for China, although it might raise tensions within the country, he said. "But if you insist on absolute parity, well, nothing may happen."

Economic Situation Facing New Leadership Viewed

BK1412034890 Hong Kong AFP in English 0201 GMT 14 Dec 90

[By Peter Mackler]

[Text] Singapore, Dec 14 (AFP)—After its first leadership change in three decades, Singapore enters 1991 facing an economic slowdown and a new test of the capitalistic wits that made it a glittering model of prosperity.

Few will argue that the economy Prime Minister Goh Chok Tong inherited from his iron-willed predecessor Lee Kuan Yew ranks among the world's most vibrant and innovative. But it is not without its problems.

Growth next year, if still respectable, is expected to be significantly lower than the 8.3 per cent forecast for 1990. Rising business costs and a chronic labour shortage pose challenges for the years to come.

As he took office on November 28, Mr. Goh warned that a Gulf war would trigger worldwide economic shockwaves that could swamp the ambitions of this thriving business hub heavily dependent on trade and investment.

"As we plan for a better life, we must also brace ourselves for hard times," the 49-year-old former shipping executive said in his inaugural address after ending Mr. Lee's 31-year reign.

Officials here predict three to six per cent growth for 1991 barring a Gulf catastrophe. Other analysts put the figure at five to seven per cent, which would still leave Singapore sitting relatively pretty among the newly industralised economies (NIEs).

All agree that even before Iraq invaded Kuwait on August 2, Singapore was showing signs of a slowdown after averaging nine per cent annual growth in the quarter century since independence.

Wages in the city-state have been rising and inflation was up to an unprecedented 3.6 per cent officially—seven to 10 per cent, according to other estimates.

Major markets such as the United States were having their own economic problems. Key export sectors such as computer components were expected to peak after a boom while a stronger Singapore dollar could eventually hurt sales in other areas.

"All the Gulf has done is give added impetus to those trends," said one Western economic analyst.

But economists said Singapore was in a much healthier position than five years ago when a recession rudely broke the economic stride of this multiracial island republic of 2.7 million people.

They said the country managed to reduce its exposure to the U.S. market and had developed financial and business services into its leading sector, representing nearly a third of gross domestic product this year.

Singapore's proximity to oil exporters Malaysia and Indonesia will also boost its profile as a regional hub and petroleum industry support base while demand for refined products from here will remain high, analysts said.

"At the moment there is a good chance that they'll have a soft landing," said Nicholas Kwan, vice president and economist, Asia, for Merrill Lynch, Pierce, Fenner, Smith (Singapore).

But analysts agree a main task for Mr. Goh and his colleagues in the "second-generation" leadership will be to progressively shift Singapore's scarce manpower resources from manufacturing to high-tech financial services.

Mr. Goh has already made a start with his "triangle of growth" proposal for cooperation between Singapore, Malaysia and Indonesia. Singapore would provide the technological and management know-how and the others the cheap labour, land and natural resources.

First floated by Mr. Goh a year ago, the idea has achieved concrete form on the nearby Indonesian island of Batam where a 300 million U.S. dollar industrial park will be ready by next year with the Japanese firm Sumitomo Electric Industries signed up as the first tenant.

Furthering such cooperation may not be an easy task in a part of the world where Singapore has often had an uneasy existence as a predominently Chinese enclave nestled between two larger Malay states. But analysts see it as crucial to Singapore's future.

"The challenge for the new leadership is in the long term," said Mr. Kwan. "The long-term growth has to come from the growth triangle concept and that has a long way to go."

While Mr. Goh tackles these questions he will be closely watched by his predecessor Mr. Lee, who is staying on as senior minister in the new government as well as secretary general of the ruling People's Action Party (PAP).

There is also speculation that the former prime minister, 67, will eventually end up in the role of elected president, a post expected to be adopted next year with broad watchdog powers.

At the same time, Mr. Goh's performance will be carefully measured by Mr. Lee's eldest son Lee Hsien Loong, 38, deputy prime minister and minister of trade and industry who is widely tipped to step into his father's shoes one day.

Mr. Goh is committed to a consensus brand of government unlike Singapore's first premier who often ruled solo. If Western observers are left wondering how much of a power base he has to push forward his own policies, Singaporeans say the question is irrelevant.

"The idea of a power base comes in only if there are a lot of factions like you have in the Japanese system," said Jon Quah, associate professor of political science at the National University of Singapore.

"Here we are quite consolidated."

Cambodia

Commentary: 'Other Side' Opposes UN Peace Plan

BK1412053490 Phnom Penh Domestic Service in Cambodian 1300 GMT 13 Dec 90

[Station commentary: "Who Is Opposing the UN Peace Plan?"]

[Text] Lately, since 25 November in particular when the five permanent members of the UN Security Council concluded its meeting with the cochairmen of the Paris International Conference on Cambodia, the other Cambodian side, with the support of a number of Western propaganda machines, has launched a noisy propaganda campaign. It has made up stories and exaggerated them to blame Cambodia and Vietnam for opposing the UN peace plan. These people have repeatedly said that the State of Cambodia has rejected major points of the framework document, prepared by the five permanent members on 28 August 1990, as well as the details worked out on 25 November.

We ask this question: On what basis do these people say that the State of Cambodia opposes the UN peace plan? During a private visit to France, Comrade Hor Namhong, foreign minister of the State of Cambodia, clearly stated that the State of Cambodia has already agreed on the basic goal of the plan drawn up in August 1990 at the meeting of representatives from the five UN Security Council permanent members. If the document drawn up in Paris has the same meaning, there is no reason to reject it. This is the real stance of the State of Cambodia.

Looking closely at concrete activities, it is the other Cambodian side which opposes and violates the UN peace plan. On what points have these people violated this plan? The first point is a legal violation by these people who have tried to transform the Supreme National Council [SNC] into a transitional administration in Cambodia during the so-called transitional period while the UN peace plan says the SNC is only the symbol representing Cambodia's independence, sovereignty, and unity.

Regarding the composition of the SNC, these people also oppose the UN peace plan, which specifies that no party can play a dominant role over others, by shamelessly insisting that Samdech Sihanouk be chairman and 13th member of the SNC. Worse still, while Samdech Sihanouk has not yet even become part of the SNC, the Pol Pot clique has set up the so-called village and commune councils and even grossly boasted that a national council has been set up in the capital city.

Is this respect for the UN peace plan? Furthermore, these people have tried to drag the United Nations into going along with their dirty goal to the extent of grossly violating the UN Charter. In fact, although the UN peace plan requires that various administrative institutions and offices, which have direct influence on elections, be put under direct UN control and supervision, these people have tried to insist that the whole country be put under a UN administration. This violates the independence and sovereignty of a UN member-state. Despite the fact that Point 12 of the UN peace plan talks about the existing structure in Cambodia, these people still try to use the UN label and the influence of the five permanent UN Security Council members to dissolve the State of Cambodia's Government.

The second point is that these people have committed an ethical violation. While the United Nations have appealed for military restraint, they, particularly the Pol Pot clique, have instead grossly declared that they will seize Siem Reap-Oddar Meanchey and Kompong Thom Provinces. This is a flagrant violation of the peace plan.

With the intention of violating and opposing the UN peace plan, they have tried by every means to expand, extend, exaggerate, and add to the five permanent members' framework document and to make this unacceptable to the State of Cambodia side; and this would be a factor leading to the non-implementation of the peace plan. After this, they would clamor that the State of Cambodia opposes the UN peace plan. This last time around, it is a maneuver to (?show) that the State of Cambodia is killing the UN peace plan.

However, national and international opinions have already known that the State of Cambodia has welcomed the world's efforts, particularly those of the five permanent UN Security Council members, to solve the Cambodian problem based on the respect for independence, sovereignty, and the right to self-determination of the Cambodian people. As for the SRV, Comrade Ho The Lan, spokesman of the Vietnamse Foreign Ministry, has stated that Vietnam also welcomes the efforts of the five major powers and that a reasonable and equitable solution should be agreed upon by taking into account the real situation in Cambodia and based on the respect for independence, sovereignty, and right to self-determination of the Cambodian people. The comrade spokeswoman also clearly says that this kind of solution should be in accordance with the UN Charter to build a peaceful, independent, neutral, and nonaligned Cambodia without foreign interference and free from the danger of genocide.

This is evidence showing that both the State of Cambodia and Vietnam have not opposed the UN peace plan. Those opposing the UN peace plan are people who have been interpreting and falsifying the essence of this document. To make this plan effective, the United Nations should strive to maintain the original essence of the document and punish those who have the ill intention of using the UN label to achieve their dirty goal.

Thai Foreign Ministry Discusses Reconvening SNC

BK1412011790 Bangkok THE NATION in English 14 Dec 90 p 2

[Text] The Foreign Ministry has been holding private talks with the Cambodian warring factions in an effort to reopen another round of Cambodian peace talks here or in Paris, the ministry's sources said yesterday.

The move followed a request from the Phnom Penh Government asking Prime Minister Chatchai Chunhawan to reconvene the adjourned meeting of the Supreme National Council in Bangkok sometime in the third week of this month to discuss "internal aspects" of Cambodian peace solution.

Indonesia and France, which co-chair the Paris International Conference on Cambodia, also proposed a meeting of all Cambodian leaders in Paris on Dec 19 to discuss a peace solution drafted by the five permanent members of the United Nations Security Council.

Resistance leaders were reportedly agreeable to such a meeting.

The Foreign Ministry had sent a message inviting the representatives of the government in Phnom Penh to Bangkok next week to discuss its request, said the sources, adding that resistance representatives in Bangkok were also approached to seek their opinions on the peace talks proposals.

The sources said there were different frameworks between the two proposed venues which both sides of the conflict were trying to manipulate to their own advantage.

The resistance supports the Paris venue, said the sources, because the meeting would be conducted under the Big Five's latest peace plan which has already demanded that Phnom Penh make a dramatic sacrifice by yielding its strong control to a UN interim administration.

The meeting in Bangkok would give a broader ground for Phnom Penh to negotiate to preserve its administration under the Big Five's plan, said the sources.

An official at the office of resistance leader Prince Norodom Sihanouk here told THE NATION yesterday that it was apparent that Phnom Penh wanted to escape the Paris venue "where there would be too many witnesses to its evasion of the United Nation's peace plan."

The official also denied reports that there had been joint military operations between his faction and the communist Khmer Rouge against Phnom Penh.

The denial came after THE NATION reported on Thursday that there was a move in Washington to have the U.S. Administration stop giving non-lethal aid to non-communist movement in Cambodia because the non-communists supported the Khmer Rouge in battlefields.

"We have no plans for such a joint operation, but it could not be denied that the Khmer Rouge guerrillas visit our camps from time to time. How can we deny such a visit from our ally?" the official said.

Radio Derides Announcement on National Councils

BK1312125990 Phnom Penh Domestic Service in Cambodian 1300 GMT 12 Dec 90

[Station commentary: "Evil Words Will Haunt the Speaker"]

[Text] According to reports from foreign sources, recently the genocidal Pol Pot clique boasted that it had formed a so-called national council of Phnom Penh City. This is another lie of the bloodthirsty Pol Pot clique in addition to the many other lies about the so-called village and commune national councils that it has tried hard to set up in remote and mountainous areas or in its so-called liberated zone.

All these boasts and lies of the Pol Pot clique could not attract the attention of the national and international public. Even the Voice of America has said all along that the Pol Pot clique's news on victories are very misleading.

Recently, when newsmen asked him about the Pol Pot clique's offensive against the State of Cambodia, Senator Gareth Evans, Australian foreign minister, said that he was not surprised by all this news and did not believe that Pol Pot could seize any important town or township. All of these facts prove that the Pol Pot clique's lies about its victories could not deceive the world public. They only caused the clique to be derided for telling these lies.

People still remember well that a few days before its fall on 7 January 1979, the Pol Pot clique ballyhooed the so-called great victory of its army on all battlefields. Moreover, during the past nearly 12 years, the Pol Pot clique has continued to clamor about its victories here and there, and about its attempt to liberate the country by this or that year.

Everyone still remembers well that in April 1983, Pol Pot issued a circular ordering his ragtag forces to establish at least 30 to 40 percent of their administration in 1984 and another 30 to 40 percent at the beginning of 1985; between 60 to 90 percent of the village administrative networks; and by March 1985, to advance toward dismantling the revolutionary state administration at provincial level so as to set up the Democratic Kampuchean state administration. But, by the end of 1990, the Pol Pot clique turned to clamor about the establishment of village national councils throughout the country.

Concerning its repeated lies about the liberation of the country, also at the end of 1990, the Pol Pot clique dared boast only about liberating a few provinces.

Therefore, these lies of the Pol Pot clique could not alarm nor demoralize our people. Our people are well aware of the tricky, deceitful, and cunning nature of these criminals.

Judging from the Pol Pot clique's counting of the numbers of our soldiers and people's administrative cadres killed by its men, it seems that during the past 12 years, the clique killed billions of our men. Thus, it can be said that by now, there are no more people living in Cambodia, let alone the soldiers and people's administrative officials.

By continuing to tell lies, the clique is following in the footsteps of Hitler's fascist propaganda minister who said that at least one of the hundred lies told would be believed. But, to the Cambodian people who have suffered so much from the clique's deceitful, cunning, and tricky policy, let alone hundred lies, even though the Pol Pot clique lies until it is exhausted and dies, no one will believe it.

The most regrettable point is that by now, a small number of individuals who in the past were deceived and jailed for nearly four years by Pol Pot and who lost 19 children at the hands of Pol Pot, still believe in the Pol Pot clique.

Everyone still remembers well that in Jakarta at the beginning of this past September, these individuals threatened the State of Cambodia's delegation attending the informal meeting there that they could liberate hundreds of districts throughout the country. That was their attempt to seize the upper hand on the negotiating table. But the fact is that so far, the Pol Pot clique and its allies have been able to survive only as bandits. Although all the Vietnamese volunteer troops have been withdrawn from Cambodia for over a year now, not a single commune nor a district fell into their hands. The Cambodian people's state administration still controls the overwhelming majority of our territory.

It is true that the Pol Pot clique and its allies are presently launching terrorist activities—robbing and killing people, attacking vehicles, cutting off bridges and communications lines, and burning down monasteries, schools, and hospitals in outlying areas—using hit and run tactics, as a rule, although such terrorist acts can cause some difficulties to the country, they cannot solve the military problems.

All the lies told so far by the Pol Pot clique could only make some of those compatriots who have been forced to serve the clique at gunpoint lose their hope and trust in the clique. Thus, many of them have repented, deserted the clique, and turned themselves in to the people's state power, asking for permission to join the national society. Due to this increasing desertion, the bloodthirsty clique has been compelled to round up innocent boys and youngsters, arm them, and barbarously force them to serve.

All of this is the outcome of the Pol Pot clique's lies which reminds one of an old saying that goes: Evil words will haunt the speaker.

Hun Sen Awarded Associate Degree in Hanoi

BK1412063490 Phnom Penh SPK in English 0444 GMT 14 Dec 90

[Text] Phnom Penh SPK December 14—Hun Sen, chairman of the Council of Ministers of the State of Cambodia, successfully defended his thesis of associate docter of philosophy at the Nguyen Ai Quoc Institute in Hanoi on December 12, reports VNA.

Officials of the Vietnamese State Council, Council of Ministers, and National Assembly, research workers, and teachers of various institutes, colleges and universities attended the event.

Cambodian Ambassador Tep Hen was also present.

His thesis, which is titled "Characteristics of the Cambodian Revolution," brings out the nature and origins of the Pol Pot genocidal regime, and the historic turning-ppint leading to the birth in January 1970 of the People's Republic of Cambodian, now the State of Cambodia.

It not only analyses the past, but also dwells on the present and forecasts the future, stressing the irreversibility of the advance of the Cambodian revolution toward socialism.

Heng Samrin Attends Gathering in Prey Veng

BK1312130590 Phnom Penh Domestic Service in Cambodian 0430 GMT 12 Dec 90

[Text] On the afternoon of 10 December, Comrade Heng Samrin, secretary general of the party Central Committee and chairman of the Council of State of the State of Cambodia, attended a get-together with the leaders of the provincial party, state, mass organizations, offices, units, provincial town, districts, and communes in Prey Veng Province.

Speaking on that occasion, Comrade General Secretary Heng Samrin expressed his best regards and commendation to cadres, personnel, and people in Prey Veng Province for their immense contributions to the defense and construction of their province, making it develop in all aspects.

The comrade general secretary also spoke on the military and security situation following the total withdrawal of Vietnamese volunteer troops from Cambodia and on the international situation, especially the issues related to the political solution for the Cambodian problem.

Comrade General Secretary Heng Samrin called on the leading cadres in Prey Veng Province to continue educating the people so that they have confidence in the party leadership and see through the perfidious maneuvers of the enemies who still want to topple the State of Cambodia.

Comrade General Secretary Heng Samrin stressed that in this immediate period, it is imperative to continue struggling vigorously against all corrupt and idle acts while striving to effectively collect the rainy-season rice and vigorously stimulate the dry- season rice production drive.

In his reply on behalf of the party and state authorities and people in Prey Veng Province, Comrade Yut Phuthang, member of the party Central Committee and secretary of the Prey Veng provincial party committee, expressed warm welcome and deep thanks to Comrade Heng Samrin for visiting cadres, combatants, and people in Prey Veng Province despite his busy schedule. The comrade pledged to strive to strengthen national unity around the party and successfully implement the circulars and other decisions of the party and state, particularly the resolution of the party Central Committee's 11th session.

Agriculture Minister Attends Koh Kong Meeting

BK1412063690 Phnom Penh Domestic Service in Cambodian 0430 GMT 14 Dec 90

[Summary] During a recent visit to Koh Kong Province, Agriculture Minister Nguon Nhel took part in a working meeting to discuss the province's agricultural work. Also attending the meeting were Deputy Agriculture Minister Pen Panh-nha; Rung Phlamkesan, secretary of the provincial party committee; and Ay Khan, standing vice chairman of the provincial people's committee.

The meeting discussed past results in forest exploitation and sea fishing. Nguon Nhel called on the meeting's participants to pay attention to providing good administration in the exploitation of forest and aquatic products. He also called for efforts to expand the cultivated area and to search for water sources to serve production and for people's use.

Visits Kompong Som

BK1412075190 Phnom Penh Domestic Service in Cambodian 1300 GMT 13 Dec 90

[Text] On 9 December, Comrade Nguon Nhel, member of the party Central Committee Political Bureau and agriculture minister, accompanied by Comrade Pen Panh-nha, deputy agriculture minister, and a number of cadres from the Agriculture Ministry, paid a working visit to Kompong Som City after fulfilling their working visit in Koh Kong Province on 6 December.

Upon arrival in Kompong Som City, Comrade Nguon Nhel was warmly welcomed by the comrades within the ranks of the party committee, local administration, mass organizations, offices, and units in Kompong Som City.

During his three-day stay in Kompong Som City, Comrade Nguon Nhel held a working session with the city's party committee, people's committee, and Colonel (Tie Vong), deputy chief of the Naval Directorate in Kompong Som City, in which they discussed problems related to the maritime production and the past shortcomings in the maritime fishing work between the central and municipal aquatic products departments and the Naval Territorial Waters Defense Directorate.

Comrade Nguon Nhel also met and had a cordial conversation with cadres, personnel, and workers of various offices and units in the city. He informed them of the new situation regarding the Cambodian revolution, particularly the political and diplomatic work. Comrade Nguon Nhel also presented gifts to members of the Naval Directorate in Kompong Som City and the city's tactical and mobile units in Prey Nop District.

On the afternoon of 12 December, Comrade Nguon Nhel returned safely to Phnom Penh.

Aid Brings Influx of Refugees to Northwest Camp

BK1412055390 Hong Kong AFP in English 0114 GMT 14 Dec 90

[By Leo Dobbs]

[Text] Pongro, Cambodia, Dec 14 (AFP)—Emergency aid has helped trigger a massive influx of displaced people to this camp near the battlefront in northwest Cambodia.

In early October, there were some 800 families in the camp just north of the provincial capital of Sisophon, according to aid workers. By the end of November, that figure had soared to 2,600, putting enormous strain on infrastructure, particularly water supply, sewage disposal and housing.

The government says it is aware of the problems facing Pongro, situated in Beantey Meanchey Province where the annual rice harvest will not meet local needs and which has called on aid agencies for help.

Children fly kites and livestock graze by flimsy thatch homes at the sprawling camp, whose five wells are inadequate, according to residents.

"Security is sufficient," said Kim Loeuy, a 27-year-old mother of six, "but we lack food." Dith Tol, 31, a farmer who is blind, said his children were missing out on education because the camp school was full.

Doctors and officials here say the population increase cannot simply be put down to fighting between government forces and resistance guerrillas, which has been low key in recent months. The alarming growth of Pongro, they said, coincided with a distribution in early October of emergency shelter kits.

One source linked to the operation said 800 kits—one for each family of roughly five people—were distributed here from September 30 to October 3 and another 365 were given out on November 5. The kits were funded and put together by a consortium of non-governmental organisations and distributed through the Cambodian Red Cross.

For people who had fled the fighting in the north and northwest and managed to survive for a year without aid, the kits were "always welcome, if not immediately needed," a Western source said. But the aid created a "pull effect" and displaced persons scattered in villages began to flock to Pongro, he said.

One senior aid worker said the emergency distribution triggering an influx of refugees was "definitely a bad side effect that was not looked at by agencies that provided assistance."

A worker on the distribution project acknowledged the trigger effect of the handouts but added that the phenomenon was an "inevitable thing if you set up an emergency programme." This had been taken into account and a fresh distribution was swiftly organised while another was in the pipeline, he said. He added that the biggest factor pushing people towards the camp was the realisation that they could not return to their homes in areas near the Thai border, held and settled by the resistance.

The aid came at a time when annual rice supplies were running out and it had become clear the displaced persons could not harvest this year's crops from lost lands.

"The problem is (that distribution) coincided with the fact that people realised they weren't going to go home," the senior project worker said.

Vice-Premier Kong Samol asked aid agency officials in Phnom Penh on November 22 for help at Pongro. He called for food to offset the poor harvest, ways to relieve the water shortage, solid building materials, medicine and educational and agricultural aid, said a source who was present at the meeting.

Some experts believe aid agencies should re-evaluate the needs of displaced people and "look at ways to take assistance to the people rather than have them come looking for it," one of them said.

Pongro, close to a major town and road, is a convenient centre for distribution.

"If you have people scattered all over the place, it is very difficult to assess their needs," a project worker said, adding that it was also easier for the government to control people grouped in one big centre.

Phnom Penh Sums Up Week's Military Activities

BK1412091190 Phnom Penh Domestic Service in Cambodian 1200 GMT 13 Dec 90

[From the "Weekly Roundup of Salient Events" feature]

[Excerpt] [passage omitted] In the past week, with the cooperation of local people and all institutions in charge of national defense tasks, our valiant armed forces launched 12 counterattacks against the three enemy groups. As a result, our victorious armed forces put out of action 132 enemy soldiers, including 102 killed, three captured, and 27 others forced to surrender. We seized

69 assorted weapons, a large quantity of assorted ammunition, and some war materiel. [passage omitted]

Radio Summarizes 186th Division's Counterattacks

BK1412073790 Phnom Penh Domestic Service in Cambodian 1300 GMT 13 Dec 90

[Text] In 1990, cadres and combatants of the 186th Division launched several counterattacks against the Pol Pot-Sihanouk-Son Sann bandits, putting 247 of them out of action, including 175 killed, 60 wounded, and 12 others forced to surrender. They seized 41 assorted weapons, 40 metric tons of assorted ammunition, and a quantity of war material and documents.

The division also destroyed some enemy war material, including 16 metric tons of assorted ammunition, two metric tons of TNT explosive powder, and 45 shelters.

Successful Attacks in Kompong Thom Reported

BK1412073990 Phnom Penh Domestic Service in Cambodian 1300 GMT 13 DEc 90

[Text] According to a report from the battlefield, in the counterattacks launched in the first week of December, the armed forces in various localities in Kompong Thom Province and the regular forces put out of action 54 enemy soldiers, including 30 killed, 10 captured, and 14 others surrendered; and seized 33 assorted weapons and some war materiel.

Also at the beginning of December, another group of enemy soldiers was repulsed by our armed forces. They were forced to flee in disarray by leaving on the battlefield 23 bodies of their colleagues, 22 weapons, and an ICOM walkie-talkie.

In the same period, the armed forces of Baray District of Kompong Thom Province in cooperation with the local authorities and people counterattacked the enemies, killing four, capturing 21, and seizing seven weapons.

Enemy Casualties in Northwest Provinces Reported

BK1412072390 Phnom Penh SPK in English 0439 GMT 14 Dec 90

[Text] Phnom Penh SPK December 14—Since early this year, the armed forces of the 5th Military Region have killed 2,045 enemy troops, wounded 1,447, captured 80, and forced 1,648 others to surrender.

They also seized 987 guns of various calibers, 57 tons of ammunition, three tons of mines, more than one ton of T.N.T., three tons of food supply and a quantity of other war materials.

Moreover, the government troops destroyed 189 firearms, 43 arms depots, 16 tons of food supply and 427 enemy shelters.

The 5th Military Region comprises two provinces - Battambang and Pursat.

Indonesia

Editorial Discusses Tasks of New Press Council

BK1412091990 Jakarta SUARA PEMBARUAN in Indonesian 29 Nov 90 p 2

[Editorial: "The Challenges Faced By the Press Council During Its 1990-93 Tenure"]

[Text] The challenges faced by the Press Council during its 1990-93 tenure are obviously different from those of the previous councils in line with the level of societal growth, national development, and changes in the global situation. The different forms of challenges are not only due to the growth of the national press, but are also closely related to holding of the upcoming general elections in 1992 and the General Assembly of the People's Consultative Assembly in 1993.

Therefore, we hope that the new Press Council, installed by the information minister last Wednesday [26 November], will work harder to solve a number of present and future problems. The said problems include the implementation of the ministerial decree number 01/Per/Menpen/1984 on the issuance of Publication Permit Certificate.

As is known, the purpose of enacting the decree on the issuance of Publication Permit Certificate is aimed at creating national press based on Article 28 and 33 of the 1945 Constitution. This means that the main objective of issuing such a permit is to create press freedom based on the Pancasila state ideology and the 1945 Constitution as well as to create independence, unity, and togetherness in its existence.

It was mentioned earlier that the Press Council is still faced with a number of problems including the task of drafting further regulations for the implementation of the publication permit decree because there are still many clauses in the decree which need more detailed explanation.

Examples of such needed clarification include the journalists' "right to reject" and the public's "right to provide response and correction" against any news reporting considered to be damaging to one's reputation. Another thing which needs clarification is the chief editor's legal delegation to members of the editorial board or to the author of an article. Things like minimum salary, family welfare funds, health insurance, transporation funds, insurance for accidents while on duty, disability insurance schemes, and arbitration for any work dispute also need clarification.

Besides, the issue of independence, unity, and togetherness as stipulated by the decree has not yet been properly addressed. For example, the meaning and nature of Articles 8 and 15 of the decree, which calls for independence in press management and ownership, are not yet properly implemented.

To be honest, a clause in the decree which stipulates that 20 percent of the capital owned by a publication must be put aside for the welfare of employees has not yet been implemented despite repeated pleas by Information Minister Harmoko. A joint commission consisting of officials from the Information Department and press organizations will therefore be set up to investigate this wrongdoing.

We believe that these examples are just some of the problems faced by the newly installed Press Council. There is also the issue of the long-distance printing system, shortages of printing papers, and the positive and negative impacts of the growing press industry recently. The negative impact may include the spill-over of the globalization of information and communications.

In view of the existence of numerous problems to be faced by the Press Council during its 1990-93 term, we can only hope that it will work harder in the future so a national press based on Articles 28 and 33 of the 1945 Constitution can exist. As such, the purpose of the decree to create a national press blessed with independence, unity, and togetherness will indeed be achieved.

Organizations Lament Human Rights Violations

BK1112004890 Hong Kong AFP in English 1122 GMT 10 Dec 90

[Text] Jakarta, Dec 10 (AFP)—Seven non-government organizations [NGOs] Monday deplored human rights violations in Indonesia and criticized the government for failing to follow its sweeping economic deregulation with political liberalization.

"We see to this day continued disregard and violations of basic human rights in all walks of life," the organisations, led by the Legal Aid Foundation (LBH) said in a joint statement to commemorate international human rights day.

The NGOs—including the Institute for the Defence of Human Rights, an environmental group and two women's organisations—criticised the political system which it said stunned creativity and discouraged freedom to organise.

"The series of economic deregulation has not been followed by deregulation in the political field," the statement said, adding that a recent debate on political openness was like "spraying salt into the sea."

They noted that recent bans on cultural performances, books and newspapers occurred just as the question of political openness was being widely discussed nationwide.

LBH Chairman Abdul Hakim Nusantara told a press conference several legislations, such as the laws on election and political parties, should be reviewed before real democracy could be established in Indonesia.

The groups also deplored growing violence in the troubled northwestern province of Aceh and criticised the military's "battle approach" operation to quell rebels in the area.

"The discovery of mysterious bodies in northern and eastern Aceh has created an atmosphere of fear and uncertainty among the people," they said.

Mr. Abdul Hakim said because of lack of access to the area and to accurate information, the exact number of casualties in Aceh could not be ascertained, but he said "it has exceeded 100 and may even be as high as 200" among civilians, the military and rebels.

The military in Aceh have said the bodies were the work of the "security disturbance movement"—the term it uses to refer to separatist groups—aimed at discrediting the government.

On the economic front the statement said workers, farmers and those in low income groups had not benefited from the rapid growth of recent years and for many, their welfare had worsened with high inflation.

It noted that open unemployment, those without jobs, had risen from 1.5 million to 2.3 million between 1986 and 1988.

Disguised unemployment, those with jobs but on wages too low to be considered properly employed, had reached 39 million this year according to one independent study. Indonesia's workforce is currently estimated at 74 million out of a total population of 184 million.

The groups also called for better protection for women workers, whose numbers have swollen with the process of industrialisation but whose rights have been trampled because they were the least likely to fight.

Laos

Further Reportage on Kaysone Birthday Activities

Receives Greetings From SRV

BK1412131090 Vientiane KPL in English 0902 GMT 14 Dec 90

[Text] Vientiane, Dec 14 (KPL)—Kaysone Phomvihan, general secretary of the Lao People's Revolutionary Party Central Committee received on Dec 12 a message of greetings on his 70th birthday from the Communist Party of Vietnam Central Committee.

The message praised the Lao leaders's activities in leading the Lao people for national liberation in the past and for building the new society at present.

"The deeds of the Lao leader has importantly contributed to the common struggle for peace, national independence and social progress in the region and the world as a whole", wrote the message.

The Communist Party of Vietnam highly valued his great devotion to the Lao revolution, as well as his virtue to the promotion and strengthening of the special friendship and solidarity between the parties, states and peoples of the two countries. "We firmly believe that under the leadership of the Lao People's Revolutionary Party headed by you, the Lao fraternal people would score greater success in the course of restructuring for building Laos a country of peace, independence, unity, democracy and prosperity", the message emphasized.

It also wished the Lao leader good health, success and happiness, and wished the special friendship and solidarity and all-round cooperation between Laos and Vietnam be further strengthened and promoted.

Ceremony at Council Hall

BK1312145990 Vientiane Domestic Service in Lao 1200 GMT 13 Dec 90

[Text] Today, 13 December 1990, is the 70th birthday of Kaysone Phomvihan, general secretary of the Lao People's Revolutionary Party Central Committee and chairman of the Council of Ministers. Beginning at 0830 today at the meeting hall of the Council of Ministers in Vientiane, representatives of various services brought bouquets of flowers to express their best wishes to our beloved and respected leader on the occasion of his birthday.

The well-wishing ceremony was conducted in sequence—first by representatives of the Lao Front for National Construction [LFNC] Central Committee led by Phoumi Vongvichit who, speaking on behalf of the LFNC Central Committee, wished Kaysone Phomvihan long life so as to continue incessantly leading the revolutionary cause of our country.

Soviet Ambassador Conferred With Friendship Order

BK1412113390 Vientiane KPL in English 0921 GMT 14 Dec 90

[Text] Vientiane, Dec 13 (KPL)—Phoun Sipaseut, Politburo member of the LPRP CC [Lao People's Revolutionary Party Central Committee], vice chairman of the Council of Ministers and minister for foreign affairs of the Lao PDR [Lao People's Democratic Republic], on Dec 12, 1990 conferred the Friendship Order on Yuriy Mikheyev, ambassador extraordinary and plenipotentiary of the Soviet Union to the Lao PDR who is ending his mission here.

Speaking on this occasion, Phoun Sipaseut highlighted the contribution of the ambassador to the strengthening and promotion of the friendship and cooperation between Laos and the Soviet Union, especially in the difficult period of restructuring in the two countries. He also wished for further development of the long-standing friendship and cooperation between the two parties, states and peoples of Laos and the Soviet Union, and wished the leaders of the two countries good health.

Japanese Agency Aids Expanded Vaccination Program

BK1312103090 Vientiane KPL in English 0854 GMT 13 Dec 90

[Text] Vientiane, Dec 13 (KPL)—A hand-over ceremony of gifts from the Japan International Cooperation Agency (JICA) to the enlarged vaccination programme and the polio elimination programme took place here yesterday afternoon.

The gifts worth more than 62 million yen include a cold storage lorry, 14 pick-up cars, a set of cold storage room, 15 refrigerators, seven colour television sets, one camera, seven video players, 60 video cassettes, seven slide projectors, seven overhead projectors, 300 sheets of foil, 20 generators, 35,000 ampoules of vaccine, and others.

At the hand-over ceremony, Dr. Bounkwang Phichit, deputy minister of public health, received the gifts from Mr. Shigemi Ando, Japanese ambassador to Laos.

The ceremony was withessed by representatives of the World Health Organisation and the UNICEF in Laos.

French-Sponsored Health Seminar Concludes

BK1312102090 Vientiane KPL in English 0900 GMT 13 Dec 90

[Text] Vientiane, Dec 13 (KPL)—A seminar on child care and treatment held under the aegis of the French Embassy here wound up yesterday morning, ending a one week study.

The seminar, attended by 30 medical personnel from hospitals in Vientiane Prefecture and Province and the central Province of Bolikhamsai, has led the participants to better understanding about child treatment.

This year the French Government has funded 12 medical seminars of this nature.

Philippines

Li Peng Opposes U.S. Bases in Philippines

HK1412055590 Hong Kong AFP in English 0535 GMT 14 Dec 90

[By Cecilia Quiambao]

[Text] Manila, Dec 14 (AFP)—Visiting Chinese Prime Minister Li Peng urged the Philippines Friday to be discreet in dealings with Taiwan and said Beijing is opposed to the presence of U.S. military bases here, Filipino officials said.

Mr Li held formal talks with President Corazon Aquino here on a wide range of issues from trade and immigration, U.S. military bases, the Gulf crisis and Manila's current economic difficulties, to Taiwan's unofficial ties with the Philippines, they said.

He "expressed sympathy with the Philippine difficulties in the matter of oil supply" and offered to sell 300,000 tons of oil on the Philippines' "own terms," said Romualdo Ong, a senior official of the Philippine Foreign Department.

Press Undersecretary Horacio Paredes described the offer as "pretty generous."

Mr Li also said Beijing would donate 100 buses to alleviate the current mass transport shortage here, Mr Ong said.

Mrs Aquino in turn acceded to Beijing's requests and scrapped Chinese nationals from the list of restricted aliens in the Philippines, allowing them to travel here without visa requirements, he said.

The official said both leaders "expressed satisfaction with the state of Philippine-China relations", with the Chinese leader voicing the hope that "both sides would act in concert to increase the volume of trade" of about 300 million dollars a year and to correct the imbalance, currently in Manila's favor.

Mr Li thanked Mrs Aquino for her reassurance on Philippine adherence to its "one-China" policy, and said China "had no objection to economic and other ties as long as they were non-official," Mr Ong said.

Spokesmen for the Chinese side were unavailable for comment, but Mr. Li said on his arrival Thursday that Beijing was grateful for Mrs. Aquino's efforts to deepen ties with China, including her visit to that country in 1988.

The premier's visit, the first by a senior Chinese official since 1981, came at a time of strained ties between Manila and its giant neighbor to the northwest.

A senior Aquino aide on Thursday described as "malicious" news reports on the eve of Mr Li's visit that the Philippine leader has accepted an invitation by a Taipei tycoon.

Despite Beijing's repeated protests over Manila's contacts with Taipei officials, the Philippines has been turning to Taiwan for investment, trade, tourism and jobs for Filippino workers.

Taiwan, awash with 72 billion dollars of reserves, is the Philippines' fourth-largest trading partner while China is a distant 12th. Taiwan investments here have also outstripped those of the United States and Japan in recent years.

"They would like the dealings to be non-official and non-governmental. They would like it to be low-key," Mr Ong said.

He said Mrs Aquino briefed Mr Li on Manila's ongoing negotiations with Washington on the future of Clark Air Base and Subic Naval Base, the largest American overseas military facilities whose lease runs out in nine months' time.

Mr Li "restated China's position in principle of opposition to foreign bases in any country. But then, he also said that he was confident that the matter of the bases would be worked out by the Philippine Government according to the best interests of the Filipino people," Mr Ong said.

Washington is seeking a new 10-12 year lease on the facilities under an arrangement consistent with sovereignty requirements demanded by Manila, and wants some form of access and minimal military presence in the bases after that period.

Manila wants to gain "sovereign" control over Clark and four support facilities next year, under which U.S. access would be on a commercial basis, but has offered a five to seven-year extension to Washington for Subic, which guards vital sealanes in the region.

Mrs Aquino also thanked Mr Li for restating an earlier pledge that Beijing would not support "any movement that would destabilize" the Philippines, Mr Ong said, referring to the 21-year-old guerrilla campaign led by the banned local Communist Party.

Further on Li Peng Remarks

HK1412092790 Manila Radio Veritas in Tagalog 0900 GMT 14 Dec 90

[Text] Chinese Premier Li Peng said China opposes the presence of foreign military bases in any part of the Philippines. He made the statement in connection with the current discussion on the U.S. bases phaseout. Li Peng is hopeful that an agreement hinging on the Filipino people's interests would be found. Meanwhile, he is not opposed to non-official trade between Taiwan and the Philippines.

Li Pledges Sale of Oil, Bus Donation

HK1412114490 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 14 Dec 90

[Text] Chinese Premier Li Peng has promised to sell 300,000 tons of oil to the Philippines to help solve the country's energy problem. The offer was made by Li during a meeting with President Aquino on RP [Republic of the Philippines]-China relations. He also promised to donate 100 buses to help solve the problem of lack of public transport in Metro Manila.

In response, President Aquino once more affirmed the one-China policy and stressed that the Philippines relations with Taiwan were limited to livelihood projects and trade. Ambassador Romulado Ong, director of the Department of Foreign Affairs for East Asia Affairs clarified that the Philippines had never forgotten its affirmation of the one-China policy.

Li Peng is scheduled to meet next with Vice-President Salvador H. Laurel and Congress leaders.

Li's Activities Previewed

OW1312141990 Tokyo KYODO in English 1311 GMT 13 Dec 90

[Text] Manila, Dec. 13 KYODO—President Corazon Aquino on Thursday reaffirmed the Philippines' one-China policy, calling it the cornerstone of Manila's relations with Beijing which have soured because of its warming ties with Taipei.

In a speech tendered in honor of visiting Chinese Premier Li Peng, Aquino declared her government's "sworn adherence to this policy" since diplomatic ties were established in 1976.

During his three-day visit, Li is expected to touch on Taiwanese overtures for increased official relations with the Philippines although the talks will mainly focus on trade.

The visit is part of Li's 10-day Asian trip which many see as part of China's move to break out of isolation following Beijing's much criticized crackdown on prodemocracy demonstrators in June last year.

Li and his 49-member party arrived at the Manila International Airport at 4:25 P.M. where they were met by top government officials, led by Aquino, and greeted with a 19-gun military salute.

In a prepared statement distributed to reporters, Li said that the purpose of his visit is to "promote friendship, deepen our understanding, broaden our common vision and develop our cooperation."

The Chinese Embassy in Manila has on several occasions expressed displeasure over the numerous visits by Philippine officials to Taiwan, high-level receptions for visiting Taiwanese officials and business executives, and the strong lobby in congress to pass a Philippine-Taiwan beneficial relations act which the embassy said aims to establish "two Chinas, or one China-one Taiwan."

Filipino officials who have been reported to have visited Taiwan include Vice President and former Foreign Secretary Salvador Laurel, incumbent Foreign Secretary Raul Manglapus, Trade Secretary Jose Concepcion, Finance Secretary Jesus Estanislao, Defense Secretary Fidel Ramos, Philippine National Bank Chairman Edgardo Espiritu, and Central Bank Governor Jose Cuisia.

The officials have, however, refused to confirm or deny that they have visited Taiwan.

Taiwan has consistently been among the top five investors in the country for the past five years, and Chinese Embassy officials charge Taiwanese officials have used their money to lobby for recognition.

Last year, Taiwan ranked next to Japan, with investments totaling 146.9 million dollars.

Aquino Backs One-China Policy

HK1312140190 Quezon City ABS-CBN Broadcasting Corporation DZMM in Tagalog 1100 GMT 13 Dec 90

[Report by Jun Tania from Malacanang—live]

[Text] President Aquino tonight gave her assurance that the Philippines would abide by the One-China policy and added that this was the cornerstone of Philippines-China relations. The president made this promise during her speech at the state dinner she gave for the visiting premier of the People's Republic of China, Li Peng at the Malacanang Ceremonial Hall.

The president thanked Li and his delegation for the help which China has been extending to the Philippines, amounting to one million yuan worth of relief goods for the earthquake victims. The president expressed her belief that with the help of neighboring countries like China, the Philippines would soon be able to achieve true peace, an improved lifestyle, and continued development. The state dinner at Malacanang was attended by high-ranking government officials and by Li's entire delegation.

Aquino Signs National Police Bill

HK1312125990 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 13 Dec 90

[By Dick Sinchongco from Malacanang—live or recorded]

[Text] President Cory Aquino has signed Republic Act 6975 creating the Philippine National Police [PNP] under the Department of Interior and Local Government [DILG]. Under the new law, Local Governments Secretary Luis Santos is expected to act as temporary secretary of the DILG, and PC-INP [Philippine Constabulary-Integrated National Police] chief Major General Cesar Nazareno as holdover-head of the Philippine National Police because the president has not yet formally appointed anyone to the posts. In a brief speech during the signing ceremonies, the president said that by means of the law, the responsibilities of the PNP and the Armed Forces of the Philippines [AFP] have been separated.

[Begin Aquino recording in English] Our policemen, who are trained to maintain peace and order, can now devote their time and energy doing the job they have been prepared for, while our Armed Forces personnel can concentrate and do what they have also been trained for. Similarly, accountability is now more defined. The definition of roles should usher the momentum in providing our people the best public service. In the process of formalizing this piece of legislation there have been long and heated discussions on how to integrate the police with the Philippine Constabulary, on whether to organize a new department or place the new national commission under the office of the president, and what will be the supervisory functions of local chief executives over the respective local police forces. [end recording]

After the signing ceremonies, Cotabato representative Rodrigo Gutang, author of the house version of the said law, said that Philippine Constabulary members will immediately be accepted into the PNP while others may transfer to the three major service commands of the AFP.

Major service commanders have signified their concurrence with the law which will fix the current police system in the country. The law was ratified after three years of heated discussion in the two houses of Congress.

Columnist Urges Immediate Aquino Resignation

HK1412055390 Manila BUSINESS WORLD in English 14 Dec 90 p 4

[From the "My Cup Of Tea" column by Ninez Cacho-Olivares: "Aquino Must Resign!"]

[Text] Once upon a time, Corazon Aquino was herself a doomsday prophet who, on a regular basis, gave the nation nothing but dire predictions on the country's economic and political picture.

Also once upon the same time, Corazon Aquino was at the forefront of the political opposition, demanding the resignation of Ferdinand Marcos and challenging him to face her in a snap election.

Never mind if, under the 1973 Constitution, Marcos still had a few more years to finish his term. Never mind if Marcos had no constitutional successor. Aquino and her sympathizers were firm in their demand for Marcos's resignation and/or a snap presidential election, for it was, they argued, the only way to save the country, the only way to arrest the economic slide.

If there was, in 1985, one individual so negative who saw nothing good in government, that was Corazon Aquino. No doomsday prophet could have been gloomier.

The only solution to the Philippine problem, she and her sympathizers insisted, was for Marcos to resign. The only way to save the Philippines and its Constitution was for the country to hold a snap presidential election.

She is today in much the same spot Marcos was in 1985. People have been clamoring for her immediate resignation. In much the same manner Marcos reacted then, Corazon Aquino barks back at her critics, calling them "doomsday prophets" and even invoking the constitutional provisions to buttress her arguments.

What hypocrisy! She who didn't care a whit about constitutional processes then invokes the sanctity of the Constitution now?

It will be recalled that Corazon Aquino who ran under the 1973 Constitution. What she did upon assuming power was to simply throw out that Constitution and substitute that with her own "Freedom Constitution" which gave her absolute powers. She was Government since there was no Congress or Parliament. As for the Supreme Court, Corazon Aquino filled it up with her appointees. And when she created a Constitutional Commission, it was staffed with her handpicked delegates, who, when without popular mandate, proclaimed her as the selected president and even gave her the longest term ever—six-and-a-half years of the presidency.

And now that the Filipino people themselves are clamoring for her resignation, she invokes the Constitution and her "covenant" with the people.

Very well, let us go by Constitutional rules. There is nothing, but nothing in the Constitution that says Corazon Aquino must stay on as president until 1992.

In fact, the Constitution states very clearly that the Philippine president can step out of Malacanang through one of four means: Impeachment, resignation, death and permanent disability.

So who says she is not allowed to resign? His political eminence, Jaime Cardinal Sin and a Supreme Court Chief Justice who shows his bias and indiscretion by commenting publicly on the presidential resignation?

While it is true that, constitutionally, no special elections can be held 18 months before a scheduled presidential election, it is possible for the country to hold a snap election and still play the constitutional game.

All that is needed is a constitutional amendment, which is allowed.

In truth, Marcos had a better constitutional leg to stand on than what Corazon Aquino has. Yet she demanded that Marcos resign for the good of the country. Now, she insists that her critics who are asking her to do the same are doing a disservice to the people?

Such presumptuousness. It is she who is doing the greater disservice by insisting on clinging on to the highest position in government when she obviously doesn't know the first thing about governance. She fumbled and bungled from day one but the people then were disposed to allow her some time to learn the ropes.

That was five years ago. What she couldn't learn in five years, she is unlikely to learn in the next 15 months. And 15 months is still a long time for more of her bungling. The country can no longer afford it. the country is going to the dogs and 15 more months of her ineptitude will spell death for the economy.

What is needed today is for the people to oust Aquino in order to establish a new leadership and renewed confidence in government.

As in 1986, restoring hope and confidence government through a change in the leadership is essential. Mere palliatives like a Cabinet revamp can achieve nothing if it is the one on top that is faltering.

Corazon Aquino must resign. It is the only way to save the country and the Filipino people.

Sources: Aquino Accepts Concepcion Resignation

HK1412042390 Manila THE MANILA CHRONICLE in English 14 Dec 90 p 1

[By Lito Zulueta]

[Text] President Aquino has accepted the resignation of Trade and Industry Secretary Jose Concepcion Jr., Malacanang sources said.

Concepcion, along with all other members of the Cabinet, has a standing resignation letter with the President.

The job has been offered to Negros Occidental Gov. Daniel "Bitay" Lacson.

But no official announcement has been made by the Palace as of last night about the resignation or replacement of Concepcion, one of the three remaining members of the original Aquino Cabinet formed in 1986.

A Malacanang official, who asked not to be named, said yesterday that President Aquino had already accepted the resignation of her controversial trade secretary.

The CHRONICLE learned from Concepcion's office that he had already announced his resepcion to his staff.

The Malacanang official said that on the prodding of the President herself, Executive Secretary Oscar Orbos had suggested that the popular Negros Occidental governor replace Concepcion.

Orbos refused to confirm the report. But during the regular breakfast forum of the Malacanang Press Corps, the executive secretary indicated that the President had already offered the Cabinet position to Lacson.

"Bitay is young like me, energetic, and has a good business background," Orbos told Malacanang reporters. "I think he'll make a good (trade and industry) secretary."

Lacson, 43, was a TOYM [Ten Outstanding Young Men] 1985 awardee. He has been described as a visionary "who epitomizes the ideal balance between success as a business executive and a social conscience."

He brought together sugar planters, millers, rice farmers, livestock raisers, and businessmen to form the Negros Business Forum that has spread the concept of land sharing and land transfer to help poor sugar workers.

Presidential Coordinating Secretary Jose de Jesus said that all Cabinet members have standing resignation letters with Mrs. Aquino and it is up to her to accept the ones she wishes to go in her planned Cabinet revamp. Last Sunday, the President announced she was going to overhaul her Cabinet.

The President said that some Cabinet members had been so bludgeoned by many unjust public criticisms as to render them ineffective in performing their duties.

Concepcion had been accused in the Senate of influence-peddling in the controversial Petrochemical project, conflict of interest and sham divestment of his shares in the Concepcion businesses. He had denied all the charges.

If Concepcion goes, there will be only two remaining secretaries who are members of the original Aquino Cabinet formed in 1986. The two others are Health Secretary Alfredo Bengzon and Social Welfare Secretary Mita Pardo de Tavera.

Another Cabinet official expected to go in the revamp is Public Works Secretary Fiorello Estuar, according to the Malacanang official.

Sources said that Bulacan Gov. Roberto Pagdanganan, director general of the Kabisig [Partnership] movement and president of the League of Governors, is being eyed to replace Estuar.

Manglapus: Bases Treaty 'Likely' by January

HK1312032090 Manila PHILIPPINES NEWSDAY in English 13 Dec 90 pp 1, 2

[By reporter Arthur I. Baruiad]

[Text] Foreign Secretary Raul Manglapus yesterday said that the proposed treaty being negotiated between Manila and Washington to replace the expiring 1947 Military Bases Agreement (MBA) will beat the deadline imposed by President Aquino although he admitted that both panels are still "quite apart" on key issues which form part of the new bases accord.

Manglapus told reporters that the terms of the new bases accord are likely to be ready by January 1991 and that such thorny issues as criminal jurisdiction and duration including the aspects of joint use and commercialization will be resolved by both panels in their next round of talks early next year.

Manglapus said that while the signing of the document will not be in January, this does not mean that the two sides will not come up with an agreement by then.

"The actual signing, as you know, is a ceremonial thing that will depend on the availability of the two designated officials. But the accomplishing of the text, we hope, to be done in January," he said.

He also said: "We are quite apart, but we hope to make some substantial steps forward during the next round of talks."

"Basically, we should have an agreement on all key questions and there should be nothing left to discuss anymore except the signing. And the signing does not have to be on any particular date," he stressed.

President Aquino at the start of formal rounds of negotiations in September imposed a January 31, 1991 deadline on the two panels to come up with an agreement. She said that if no agreement will be reached by then, the Philippine government will take over sovereign control of all the six U.S. military installations by Sept. 17, 1991, a day after the MBA expires.

In last week's talks, both American and Filipino negotiators failed to agree on vital issues like criminal jurisdiction, duration and access.

On compensation issue, Manglapus indicated that the government will press for a definite compensation package on the next round of discussions for U.S. use of key installations in the country and that the "best efforts" pledge being proposed by the U.S. will be rejected.

"Best efforts is only a commitment of one branch of government, whereas in the case of a treaty, it is a commitment of the legislative as well as the executive (branches of government)," he said.

He recognized thought that "even if it is a commitment, you still have to go through the procedure that is required by the system. No money comes out of the U.S. treasury in the same way that no money can come out of the Philippine treasury without an appropriation act."

He explained that under the Treaty of Paris which ceded the Philippines to the U.S. by Spain, the U.S. government "still had to go through an appropriations bill for the $20 million."

"However, the difference is, that was not just a best efforts commitment of one branch of the American government. It was at that stage already the commitment of the U.S. Congress," he said.

Manglapus also said that "if it comes to a point where we would like to enforce a treaty and it seems that it is encountering difficulties in enforceability then we can always resort to all kinds of international laws and procedures."

He also said that the proposed treaty—if there will be one—must be judged in its entirety. "I think we cannot judge this treaty on the basis of one aspect," like duration which some senators said will not pass Senate ratification," he said.

Importance of Bases Compensation Noted

HK1312135590 Quezon City ABS-CBN Broadcasting Corporation DZMM in Tagalog 1100 GMT 13 Dec 90

[Text] The promise that the United States will give compensation for its military bases in the country will pave the way for the Philippines to accept any new agreement. This was stressed today by Foreign Affairs Secretary Raul Manglapus. In relation, the U.S. President assured that he would seek congressional approval for the amount the Philippines is asking. Responding to this, Manglapus said that it was no longer sufficient for U.S. President George Bush to say that he would try his best to get the compensation. Manglapus added that the United States should give assurance for every promise it makes to the Philippines.

Amerasians Want Inclusion in Talks

HK1412040590 Manila THE MANILA CHRONICLE in English 14 Dec 90 p 7

[By Marie Rose Feliciano]

[Text] The Amerasians of the Philippines, an organization of some 30,000 Filipinos with American fathers, has asked the Department of Foreign Affairs [DFA] to include their plight in the agenda of the fourth round of the bases talks early next year.

In a petition, the group asked the help of the Foreign Office so that more Americans could secure American citizenship.

The group said applications by many Amerasians for U.S. citizenship have been hampered by the strict requirements of U.S. immigration agencies.

Under U.S. immigration laws, a person who claims to have an American father must first be recognized by the American parent before the Amerasian child could be given naturalization papers.

The Amerasians said they have tried asking the U.S. agencies to give them information regarding the whereabouts of their fathers but the usual reply was that "U.S. laws prohibit giving out information, data or address of subject person without his prior consent."

The group added that because of their mixed blood, most of its members were denied proper education and were subjected to all kinds of discrimination when applying for jobs.

There are around 30,000 Amerasians in the Philippines who were left by their American fathers after the end of the World War II.

The bases talks will enter the fourth round although the technical committees formed to tackle various topics have been working continuously. Sources said the committees might continue working until the holidays.

They added that the Philippine panel would likely include the compensation package in the bases treaty so that the Philippines could file a protest before the international courts if the treaty was not followed.

Two visiting U.S. senators had said that the treaty would not assure that the Philippines would get the compensation package as specified in the agreement.

But Foreign Secretary Raul Manglapus had warned that the Philippines would "resort to all kinds of international law procedures" if the U.S. fails to honor the provisions of the treaty.

Government Urges Iraq To Leave Kuwait

HK1412035790 Manila PHILIPPINE NEWSDAY in English 14 Dec 90 p 3

[By Arthur Bariuad]

[Text] The Philippines yesterday called on Iraq to unconditionally end its illegal occupation of Kuwait "to avert the unmitigated disaster of another war." It also endorsed an international conference on the Middle East to achieve a peaceful settlement of the Gulf crisis and the Arab-Israeli conflict.

The appeal was aired by Foreign Affairs Undersecretary Pablo Suarez at the 4th UN General Assembly in New York, where he said that Iraq must "heed the call of the international community to unconditionally end its illegal occupation of Kuwait to abide by all relevant Security Council resolutions and the UN Charter to avert the unmitigated disaster of another war."

A conference at this time would help to resolve the Palestinian questions, aside from providing peace a negotiated settlement of the Arab-Israeli conflict, he said. [sentence as published]

The Philippine government has made it clear that as a member of the UN, it has to comply with UN resolutions, including the resolution authorizing the use of force to solve the Gulf crisis.

Last month, Foreign Secretary Raul Manglapus assured the Kuwait delegation headed by Minister of Housing and Kuwaiti Emir's special envoy, Yahya Fahad Al-Sumait, that the Philippine government subscribes to UN resolutions on the Gulf crisis and "condemns unequivocally the invasion of Kuwait by Iraq."

Manglapus also said that the "government will support every reasonable initiative for a peaceful solution of the conflict and that in the event that such peaceful solution becomes impossible, we would support a UN resolution authorizing the use of force."

Early this month, the UN Security Council passed a resolution authorizing the use of force to end the Gulf crisis. It gave Iraq unitl Jan. 15 to withdraw from Kuwait.

On the proposed meet, Suarez noted that it must have the participation of all parties concerned, including the Palestine Liberation Organization and the five permanent members of the Security Council.

He called on Israel to abide by its international obligations for the protection of the right of Palestinians in the occupied territories including Jerusalem. He stressed that this process "will smooth the road to the holding of the international peace conference."

"Such is the significance of the Middle East that if any government were to feign indifference to any evolving crisis in the region, it could trust in its own capital's market or gas stations to spell out the details," he concluded.

Medical Mission To Leave for Saudi Arabia 15 Dec

HK1312134990 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 13 Dec 90

[Interview with Senator Santanina Rasul by DZRH anchorman Joe Taruc—live; italicized passages in English]

[Excerpts] [Taruc] Good afternoon Senator.

[Rasul] Good afternoon.

[Taruc] Senator is the medical mission pushing through with its trip to the Middle East?

[Rasul] Yes, *the group is leaving on the afternoon of Saturday, December 15. Two hundred and fifty medical personnel composed of doctors, nurses, dentists, midwives, and other medical personnel are included. There is a special Saudi Airlines flight to pick up the group, and leading the group is General Ileto, the national security adviser. I am also going with that group, together with Mrs Bernardo and Attorney Rasul, but since I am also part of the mission of Secretary Estanislao, I will be taking another flight on the same day* to Riyadh.

[Taruc] So, this will be the Philippines contribution to the concerted effort of United Nations member countries.

[Rasul] Yes. [passage omitted]

[Taruc] Senator, are there already designated areas where the medical mission members are to be deployed?

[Rasul] Yes. *As a matter of fact, the latest information from Ambasador Rasul is that the* group leaving on Saturday already have their respective hospital assignments. *There will be three groups and their placement will depend on their expertise. The three groups will be proceeding to Dhahran, the eastern province; and the other group will be going to Riyadh. So, they will all leave here at the same time* and they will disembark at Dhahran. The three groups will remain and the rest will proceed to Riyadh.

[Taruc] To not confuse our listeners, the reason why the medical mission is being sent to the Middle East is in preparation for the escalation of hostilities or war in the Middle East. Is there such a possibility?

[Rasul] *During our dialogues with the military in Saudi Arabia, with the Saudi authorities, we had the understanding that* our medical teams will be assigned at the base hospitals so that in case of hostilities, *the Saudis and other medical people in these hospitals will be relieved of their duties and the Filipinos will take over running the hospital.*

[Taruc] In the meantime, while such occurences are not taking place, they will probably take care of the medical needs of foreigners and the people in Saudi Arabia.

[Rasul] Yes. Even if there are no hostilities, they still need medical personnel because at the height of the invasion, the medical personnel from Europe went home. *It was the Filipinos who stayed behind* and the Saudi Government was very pleased because they have confidence in Filipino doctors, nurses, and medical people. That is why they want the Filipinos to take over.

[Taruc] What about medical supplies? Who will be providing the needed medical supplies, Senator?

[RAsul] *Well, as a matter of fact, everything is provided by the Saudi Government.* First of all, the trip to Saudi Arabia is a special flight. They are sending a 747 on Saturday and *everything will be provided by the Saudi Government. The accomodation, board, all of that will be provided.*

[Taruc] What about the members of the medical mission, will they be compensated for their services?

[Rasul] The authorities there told us that the privileges accorded to them *will be just like those presently assigned in the hospitals where they will be working.* [passage omitted]

Congress To Tackle Five Urgent Tax Bills

HK1412041190 Manila THE MANILA CHRONICLE in English 14 Dec 90 pp 1, 8

[By Johanna Son]

[Text] President Aquino yesterday issued a proclamation calling Congress to a special session next week to discuss five bills meant to raise over P [peso] 13 billion in revenues.

Under Proclamation 676, Mrs Aquino asked Congress to take up the following measures:

—Liberalizing the investment activities of foreign investors.
—Increasing forest charges on timber and forest products (P3.2 billion).
—Instituting the alien-stay legalization program (P4.5 billion).
—Providing limitations in business and professional tax deductions (P2 billion).
—Granting tax amnesty on all unpaid customs duties (P3.75 billion).

The package is meant to raise P13.45 billion, as indicated by a briefing paper used by Malacanang at Wednesday's meeting with congressional leaders.

The bills are in various stages of study in Congress.

The proclamation, dated Dec. 13, was issued despite some senators' objections to rushing passage of the alien legalization program. It was received by the Senate and the House yesterday afternoon, which was supposed to be Congress' last session day before the Christmas holidays.

The proclamation included a new subject, and asked for speedy passage of "other revenue measures, such as those agreed upon in the budget summit that are crucial for tax collection improvement as well as the economic stabilization program."

Senators said they could not recall having agreed to other revenue measures during discussions between the Palace and congressional officials on Wednesday.

"This is a Herodian clause which can cover everything," Senate President Jovito Salonga warned.

But Palace documents showed that Malacanang wanted at least four other bills passed, including increases in taxes on business and professional income, which legislators had rejected.

Under the law, Congress cannot deviate from the agenda laid down by the President.

"It is the Prsident's prerogative to call a special session," Salonga said, but doubted that all five bills would be passed. "That is another question. I wouldn't put a high probability to that."

He said the Senate might only have time to pass the bill increasing forestry charges and streamlining forest investments.

It will be rough sailing for the alien legalization program, which senators don't regard as a purely revenue-raising measure, Salonga added.

The other bills the Palace wants passed in order to help reduce the budget deficit are "refinements" in the value-added tax system which would raise P3.7 billion; increases in the registration fees of private and for-hire trucks, P1.25 billion; productivity incentive scheme for personnel of the Bureaus of Internal Revenue and Customs (P2 billion); and a fund for agriculture and agro-industrial development (P3 billion).

Palace officials said these items had been agreed upon with Congress during the budget summit and "subsequent meetings."

The proclamation does not indicate whether the President favors the House or the Senate version of the bill creating a "negative list" barring or regulating foreign investments.

The Palace briefing paper, however, speaks of a plan to certify the House version. It contains a Senate-opposed provision allowing free entry of foreign investments for five years, so that the negative list would take effect only later.

Malacanang has called the special session apparently to set in place before the start of the new year measures that would generate funds to cover expenses.

Monetary Policy To Remain Tight

HK1312031690 Manila BUSINESS WORLD in English 13 Dec 90 p 1

[By Alex B. Reyes]

[Text] Monetary authorities will keep a cap on money supply growth until the budget deficit and inflation are under control, Central Bank [CB] Governor Jose L. Cuisia, Jr. said yesterday in a speech before the American Chamber of Commerce of the Philippines.

"Given the current situation, reason dictates that monetary policy should remain tight until the inflation rate shall have been brought down and the fiscal deficit reduced to a more manageable level," Mr Cuisia said.

"We expect to see an easing in our tight monetary policy only in the latter half of 1991 as we succeed in putting inflation under control," he added.

Interest rates in the first semester next year are thus expected to remain high and investment activity is seen to be sluggish.

Mr Cuisia assured his audience though that the growth of money supply will be consistent with the output, price and external targets of the stabilization program.

He said reducing the deficit is the first and foremost need of the economy, since it has direct links with inflation, interest rates and the competitiveness of the local currency.

Without a reduction in the fiscal deficit, Mr Cuisia said Government will fail in its fight against inflationary pressures and send the wrong signals to the market.

From January to November 14, the National Government's cash deficit had already reached P [peso] 34.4 billion, five times that of the comparable period last year.

The large government deficit and the credit requirements of the private sector have led to an expansion in liquidity.

To minimize its impact on prices, monetary authorities have had to take contractionary measures such as the raising of banks' reserve requirements and open market operations, particularly the flotation of Treasury bills," he said.

Despite efforts at containing monetary growth, Mr Cuisia said reserve money (RM) grew by 29.8%, while M3 or domestic liquidity grew by 27.2% in the first three quarters.

These were way higher than the 1990 program targets of 19.5% for RM and 17.8% for M3.

According to CB estimates, the effect of the balloning fiscal deficit as well as the impact of last week's increase in oil prices would mean an inflation rate of 15% at the start of 1991.

"Inflation is expected to taper off in the later months of the year and will likely decline gradually to single-digit level by end-1992," Mr Cuisia averred.

He voiced his full support for last week's upward rise in oil prices, saying that the oil price increase was evidence of the Government's readiness to take hard decisions to acheive stabilization and to strengthen growth prospects of the economy.

"1991 appears to be a very difficult year because the brunt of the sharp adjustments which we started to make during the last quarter of 1990 will see their full impact next year," he said.

Malacanang Asks for Subsidized Petrol Prices

HK1312045390 Manila DWIZ Radio News 882 in Tagalog 0400 GMT 13 Dec 90

[Text] Malacanang has asked Congress to allocate 9 billion pesos to use as an oil fund. Finance Secretary Jesus Estanislao warned that if this subsidy is rejected, prices of gas may go up again. He added that the government has been pumping in 750 million pesos monthly since the most recent oil price hike. Meanwhile, House Ways and Means Committee Chairman Hernando Perez said Congress will consider the proposal only when they deem it necessary.

Major Military Changes Expected in 1991

HK1212055690 Manila PHILIPPINES NEWSDAY in English 12 Dec 90 p 3

[By reporter Dario B. Agnote]

[Text] A major shakeup will affect the 160,000-strong Armed Forces next year as AFP [Armed Forces of the Philippines] Chief of Staff General Renato S. De Villa, 19 generals, and eight colonels are expected to bow out of the military service.

Military records showed that at least 14 ranking military officers are set to retire during the first quarter of 1991. Others will also retire in the second half of the year. Nine officers who are set to retire next year are currently occupying key positions in the Air Force, Five in the Constabulary, three in the Philippine Army and Navy and seven in the general headquarters.

Some of the officers will retire because they will reach the mandatory retirement age of 56. Included in this list are three major generals, 16 flag officers and brigadier generals and eight colonels and naval captains.

The list includes Major General Rodolfo Biazon. Biazon, the AFP vice chief of staff and a strong contender for the AFP chief of staff post, is set to retire on April 14. He is also the concurrent chief of the National Capital Region Defense Command (NCRDC).

Major General Gerardo Protacio, the Air Force commander, is also set to retire on April 20. Major General

Manuel Dizon, the southern command commander based in Zamboanga City, is set to retire on January 14.

Other retirees include Brigadier General Reynaldo Sile, the chief of staff, who is set to retire on January 21 and navy Captain Viccente Escale, the commander of the Sangley naval base in Cavite City, who is also due to retire on January 10.

In the Constabulary, the regional commander, who are expected to bow out of service in the first half of the year are Brigadier General Manuel Bruan and Miguel Abaya. Brua, the Central Luzon PC-INP [Philippine Constabulary-Integrated National Police] chief, is due to retire on February 20 while Abaya, the Ilocos Region PC chief, is due to retire on May 8. Another regional commander—Brigadier General Evaristo Carino, the Recom 4 commander—is also due to retire on October 26.

Others include Brigadier General Adam Jimenez, the deputy PC-INP chief for civilian-military operations, on December 30, 1991, and Colonel Francisco Carreron, the PC Training Command chief in Silang, Cavite, on September 17.

In the Army, Brigadier Generals Rogelio Villanueva and Manuel Lanuza are also expected to retire next year. Villanueva, the vice commander of the Army, is set to retire on April 5 while Lanuza, the commander of the 801st Infantry Brigade in Samar, on August 1.

In the Navy, Commodore Federico Lardin, the Naval Training Command chief, is expected to retire on August 25 while Naval Captain Hernanito Gabales, the commander of the Naval Construction brigade would also retire on December 29 next year.

In the General Headquarters, the retirees include Colonels Ruperto Pia, the chief of dental service, on February 12 Elvegia Mendoza, the chief nurse, on May 15; Melecio Agtay, the AFP deputy chief of staff for education and training (J-8) on May 27 and Mario Trespeces, the NCRDC deputy commander, on October 15. On March 24, 1991, Brigadier Generals Crisanto Malit, the AFP surgeon general, is also set to retire, while Jesus Daclan, the commander of the Metropolitan Citzen's Military Training Command (MCMTC), on October 18.

In the Air Force following are also candidates for retirement; Protacio, Sile, Brigadier Generals Rogelio Estacio fo the AFP Security Command on October 14, Tereso Isleta of the First Air Division on March 13, Demetrio Camua of the Clark Air Base Command on May 13, Nicasio Rodriguez of the 250th Presidential Air-lift Wing on October 13 and Cesar Go of the 220th Airlift Wing on September 21. Colonel Ciriaco Reconquista, the commander of the 570th Composite Tactical Wing in Palawan, retires on October 12.

The AFP selection board is also reviewing the possible replacements for these officers.

Press Official Overviews Peace Negotiations

HK1312033290 Manila PHILIPPINES NEWSDAY in English 13 Dec 90 p 3

[Text] Press Undersecretary Horacio Paredes yesterday confirmed that the ongoing peace negotiations have bogged down because "two sides do not trust each other and we are not getting as much headway as we want to."

In an interview after the meeting of the Cabinet Cluster E committee at the Peace Commission held at the Heart Center, Paredes said the "two sides do not talk to each other although government is confident that it is making progress in the talks." He did not define what kind of progress government has achieved but noted that "we are not making as much progress as we want to."

He said that in the search of peace, one should not make the mistake of becoming impatient, hinting that the government is still pinning its hopes on the success of the peace talks.

The peace process, he said, would continue despite the apparent failure in the past talks held between the government panel and the communist front.

He also expressed optimism that by next year government and rebels will renew the talks, despite the growing mistrust from both sides.

In an official statement read by Paredes at the eighth meeting of the Cluster E and the Multisectoral peace advocates led by Senator Wigberto Tanada, he said that "formal linkages have been established between the Capital Regional Command headed by General Mariano Filart and the demonstrating groups opposing, among other oil price hikes and the US bases."

"This linkage it is hoped shall ensure peaceful demonstrations. Another dialog to finalize the guidelines on the conduct and treatment of demonstrations in scheduled on Dec. 27," Paredes said.

The peace advocates had also discussed with the government panel a draft memorandum of understanding on the observance of international humanitarian law by combatants. The panel identified several problem areas in the memorandum and agreed to thresh them out before the end of the year.

The peace negotiators also scheduled its ninth dialog on Dec. 27 to discuss the possible continuance of the peace process.

14 Muslim Rebels Surrender

HK1312033490 Manila MANILA BULLETIN in English 13 Dec 90 p 11

[By Owen Masaganda]

[Text] Thirteen members and a commander of the Moro National Liberation Front (MNLF) led by Abesamis Masedal alias "commander Koz Dimasalang" of the

Kutabato Revolutionary Committee Field Command returned to the fold of the law with three high power guns and a .45 caliber handgun.

Brig. Gen. Ceser F. Fortuno, 1st Infantry (Tabak) Division of the Army informed Maj. Gen. Guillermo Flores, Army chief that "Ka [Comrade] Koz" joined with the MNLF in the early 70s and was assigned to Cotabato to head a group of Muslim insurgents.

The MNLF rebels surrendered one M-14, one .30 caliber carbine and one .45 caliber pistol and ammunitions. Gen. Fortuno said that Col. Leonardo A. Mendoza, 102nd Brigade chief initiated the negotiations for the surrender of the group of "Ka Koz". Gen. Fortuno said that the 14 surrenderees will be recommended for amnesty under the National Reconcilliation and Development Program of the government. Gen. Fortuno said that he will recommend that the firearms of "Ka Koz" be compensated with payment.

Meanwhile, a member of the 31st Infantry Batallion abducted by NPA rebels in Sariaya, Quezon was able to escape from his captors after grabbing the M-16 Armalite rifle of the rebels. Brig. Gen. Federico Ruiz Jr., Southern Luzon Command (Solcom) chief said that Sgt. E. Delos Reyes of the 31st IB [Infantry Battlion] was hogtied by his abductors but was able to untie himself.

Sgt. Delos Reyes reported to the nearby PC [Philippine Constabulary] detachment which reinforced the pursuing troops. It was gathered that some of the rebels hit by his gun were wounded but were carried out by their companions.

Gen. Ruiz commanded the heroism act of Delos Reyes.

Thailand

U.S. Help Sought in Saudi Evacuation Plans

BK1312144590 Bangkok Domestic Service in Thai 1200 GMT 13 Dec 90

[Text] Phongphan Phromkhatkaeo, consul at the Thai Embassy in Riyadh, reported that he recently met officials of the U.S. Embassy for discussions on cooperation for a contingency plan to evacuate Thai civilians and embassy officials from Saudi Arabia if war breaks out. He said that the U.S. Embassy assured him of full cooperation and advised the Thai Embassy to send officials to coordinate with U.S. officials on the evacuation plan.

The embassy said that U.S. officials think the eastern area of the country is a danger zone because it is within the radius of Iraqi missiles. Riyadh, meanwhile, is considered less dangerous. The Thai Embassy will therefore contact the foreign embassies with broker companies hiring Thai workers for jobs in the eastern zone and ask them to help evacuate Thai workers out of the danger areas. The embassy will first contact the Korean Embassy which has many companies operating in the Middle East, and later contact other embassies.

Solidarity, Prachakon Thai To Join Coalition

BK1412011590 Bangkok THE NATION in English 14 Dec 90 pp 1, 2

[Text] The Solidarity Party and the Prachakon Thai Party have agreed to join the new coalition government to be led by Premier Chatchai Chunhawan as the Social Action Party (SAP) was set to withdraw its support for the premier.

Ratsadon Party leader Gen Thianchai Sirisamphan, who is expected to retain his Cabinet post as education minister in the new line-up, said late last night that the Cabinet list had been finalized and could be announced today.

Solidarity leader Narong Wongwan, speaking after returning from the premier's Ratchakhru residence last night, told reporters his party and Prachakon Thai had worked out an agreement with Chat Thai on the composition of the new Cabinet.

Party sources said that Solidarity's senior members will head the following four ministries: Agriculture, Public Health, Foreign Affairs and Justice while Prachakon Thai leader Samak Suntharawet will take control of the Communications Ministry. A senior Prachakon Thai member will also be made deputy premier while another leading member will be made minister of university affairs.

Narong is expected to become agriculture minister. Senior Solidarity members who are expected to get key posts include party secretary general Chaloemphan Siwikon, deputy leader Bunchu Rotchanasathian and deputy leader Sawat Khamprakop. Deputy leader Uthai Phimchaichon had reportedly refused to enter the Cabinet to show his opposition to the party joining the coalition with Chat Thai.

Ten or 11 Solidarity MPs [members of Parliament] will be appointed to the Cabinet. Other potential appointees are Pinit Chanthasurin (Lampang), Somphong Amoniwiwat (Chiang Mai), Den Tomina (Pattani), Athit Urairat (Chachoengsao) and Piyanat Watcharaphon (Sisaket).

The Chatchai IV Cabinet will include Puangchon Chaothai and Ratsadon parties as well. Chat Thai had tried in vain to include Phalang Tham Party of Bangkok Governor Chamlong Simuang in the new Cabinet. The 15-MP party rejected the overture yesterday.

There were rumours that the United Democracy Party of Col Phon Roengprasoetwit was also being wooed by Chatchai but the 5-MP party's participation has yet to be confirmed.

With 96 MPs in Chat Thai, 62 in Solidarity, 21 in Ratsadon, 17 in Puangchon Chaothai and 31 in

Prachakon Thai, the new government would command a total of 227 MPs, a comfortable majority in the House.

The new Cabinet line-up is expected to be announced today or during the weekend when SAP MPs are to hold a meeting to discuss party leader M.R. Khukrit Pramot's proposal to boycott the new Chat Thai-led cabinet. SAP Secretary General Montri Phongphanit told a news conference that he suspended his negotiations with Chat Thai over the new Cabinet pending the party meeting tomorrow.

Informed sources said Chat Thai Secretry General Banhan Sinlapa-acha told Montri yesterday morning that SAP would be given the portfolios of Agriculture, Science, Technology and Energy and the Foreign Affairs in return for its participation in the new coalition.

But SAP bargained for control over its old ministries: Communications and Foreign Affairs. The party later softened its position on the control over the Agriculture, Industry and Foreign Affairs ministries.

SAP finally turned down the offer by Chat Thai to join the government.

Some SAP sources said the party was pursuing a two-track approach: On the one hand, it continued the negotiations with Chat Thai yesterday but on the other, it was trying to form an alliance with the Democrats for the formation of a new government which would push Chat Thai into the Opposition in the event Chatchai cannot form a government and is forced to resign again.

Party sources said Chat Thai Party is expected to take control of the ministries of Finance, Interior, Defence, Industry, Commerce and Science, Technology and Energy.

The premier's policy advisers were last night trying to retain Amaret Silaon at the head of the Commerce Ministry.

The haggling among senior Chat Thai members for the key posts of interior, finance and industry ministers were reportedly still going on late last night.

Chat Thai Secretary General Banhan and party chairman Praman Adireksan have been bucking for the interior portfolios while deputy leader Pramuan Saphawasu, who was deputy premier in the previous Cabinet, was jockeying for the finance post. Kon Thappharangsi, another Chat Thai executive, wants to become industry minister.

Banhan reportedly said yesterday if he could not retain his interior post, the only other post which he could accept is the finance portfolio.

The Ratsadon Party and Puangchon Chaothai would retain their respective posts in the previous Cabinet—Education Ministry and the post of deputy premier for the former and deputy premiership, the posts of deputy communications minister and deputy public health minster for Puangchon Chaothai.

Chatchai tried frantically to reach Prachokon Thai leader Samak Suntharawet throughout yesterday. It was not until late afternoon that the premier got hold of Samak, who was chairing a meeting of his party MPs to discuss the anticipated overture by Chat Thai.

During the conversation, Chatchai informed Samak that the Democrat Party had refused to join the Chat Thai-led coalition while SAP would opt out later.

SAP was buying time by scheduling the party meeting for tomrrow while negotiating with the Democrats on the possiblity of their forming the nucleus of a new coalition government, Chatchai was quoted as telling Samak.

The premier offered Samak the following three posts: deputy premier, agriculture minister and minister of university affairs, only to hear Samak's counter-proposal for the post of interior minister.

Prachakon Thai prepared the list of six senior MPs as nominees to the new Cabinet. One of them is expected to be made deputy premier, two appointed ministers and three others deputy ministers, party sources said.

Koson Krairoek, who is Prachakon Thai secretary general, is expected to become deputy premier. Other Prachakon Thai hopefuls include Bangkok MP Pakit Phatthanakun, who is tipped to become deputy communications minister, Chanthaburi MP Warothai Pinyasan, and Phitsanulok MP Yingphan Manasikon.

In his phone conversation with Chatchai, Samak argued that his party is fighting with Phalang Tham Party to enlarge their political stronghold in Bangkok constituencies and therefore it needs a ministry which can accomplish something for Bangkokians.

Banhan, who was also with Chatchai, informed Samak on the phone that the Interior portfolio had already been promised to another.

Chatchai later proposed that Prachakon Thai control the Commerce Ministry instead of the Agriculture Ministry. But Samak rejected the offer once again.

The negotiations later led to an agreement that Prachkon Thai would control the Communications Ministry which Samak believes would give him a chance to win support from Bangkok voters. Samak, himself a Bangkok MP, is a former communications minister.

Democrats' Decision To Leave Coalition Viewed

BK1412040190 Bangkok THE NATION in English 14 Dec 90 p 8

[Editorial: "Democrats' Self Survival"]

[Text] The Democrats' decision to stay out of any new Chat Thai-led coalition was aimed at advancing its own self-interest more than anything else. The party finally realizes that Premier Gen Chatchai Chunhawan has entered the autumn of his political career and his downfall is only a matter of time. Switching sides to join the Opposition now is ideal timing for this oldest political party, which was once a well-respected opposition leader.

Democrat leaders claimed political altruism as their main motive of refusing to join the premier's coalition of six parties, which would produce a government with 297 votes in the 357-member House. Some of them considered such a large coalition a "parliamentary dictatorship" because it would leave the Opposition with only 60 MPs, 12 short of the minimum requisite vote of 72 (one-fifth of the House membership) to call for a no-confidence debate.

Another main reason cited by the party, which has 48 MPs, was that without its participation, the premier would have fewer difficulties in forming his new coalition. In other words, there will be more Cabinet posts to go around among the remaining five parties backing Premier Chatchai.

However, it didn't quite turn out that way. In fact, confusion surmounted when it was unclear whether Social Action (53 MPs) and Puangchon Chaothai (17 MPs) would join the new coalition. At the same time Prachakon Thai (31 MPs) and Phalang Tham (15 MPs) were approached to fill the Democrats' place.

Phalang Tham, the centrist party of Bangkok Governor Chamlong Srimuang, was quick to turn down the advances. This showed it has learned a lesson from its last mistake when the former Phalang Tham secretary general, Udom-sin Sisaengnam, accepted similar overtures last August but was overruled by Chamlong. Phalang Tham's image of being a "clean water" party would be incompatible with that of Chat Thai and a few other parties wanting to join the new coalition; all of which have a serious "image problem".

For Samak Sundaravet whose Prachakon Thai Party has been in the Opposition since August 1986, this opportunity to be part of a government again was a political windfall. Too bad the payoff is rather small and may not last. Samak's party is Bangkok-based; 20 of his 31 MPs, including Samak, were elected in Bangkok. Thus he needs a ministerial post that can enhance his party's influence in the capital during the remaining 20 months of the present House's four-year term.

The Interior Ministry portfolio and all other Cabinet positions in key economic ministries are out of question for the Prachakon Thai leader. Samak last served as the communications minister in the Prem IV administration. But this Cabinet post will likely go to incumbent Montri Phongphanit, secretary general of SAP, if SAP is in the new coalition. If SAP is out, then the post will go either to Solidarity or Chat Thai.

Montri obviously wants to join and keep his communications minister post. He knows he cannot leave all those mammoth infrastructure projects of the Communications Ministry just dangling in the air. Unlike his leader M.R. Khukrit Pramot, Montri has found Solidarity (62 MPs) quite tolerable even though some Solidarity leaders at first threatened to make public in a rally at Sanam Luang his links with certain corruption scandals. (The rally, scheduled for last Tuesday, was cancelled after Solidarity endorsed the renomination of Chatchai to the premiership.)

For most of the Democrats, however, the propsect of staying with Solidarity, more so for Secretary General Chaloemphan Siwikon, revives old bitter memories. Chaloemphan was leader of the "Jan 10" group of dissidents in the Democrats that almost wrecked the party before it broke away to contest in the last general election in 1988 under Prachachon.

After the election, Prachachon, Community Action Party of Bunchu Rotchanasathian and Progressive of Uthai Phimchaichon merged into Ruam Thai to form Solidarity. But the new party has shown anything but unity. Uthai's faction, for instance, is reportedly unhappy with the decision to endorse Premier Chatchai.

With the divisive Solidarity and the equally fragmented Chat Thai (96 MPs) teaming up in a new coalition, their chances of staying together until the end of their term in mid-1992 are extremely low.

Most Democrats could see the early demise of the new coalition even before it took shape. Therefore they played safe by not having anything to do with it. The last time Democrat was in the Opposition was in 1975-76 during the Khukrit administration. It will have to quickly sharpen its skills of criticizing the administration and regain popular support, especially in Bangkok where it has been overshadowed by Prachakon Thai and Phalang Tham.

Military Chiefs Continue Chatchai Boycott

BK1312015790 Bangkok THE NATION in English 13 Dec 90 p A4

[Excerpt] Military leaders continued their boycott of "Wednesday breakfast" at the prime minister's residence yesterday, but General Chatchai Chunhawan was not lonely.

He met about 20 old friends and their wives and chatted about old times.

All his friends were generals who were his classmates at the Chunlachomklao Military Academy. Yesterday was the anniversary of their graduation day.

The youngest in the group was 68-year-old Gen Saiyut Koetphon.

Chatchai talked about his plan to form a Cabinet at the lunch party at the Ambassador Hotel.

"He told us about his plans," said Gen Pin Thammasi, former assistant army commander-in-chief. "He said top priority in forming the goverment will be given to honesty. Those with an unfavourable image will be moved to less important positions," he said. [passage omitted]

Government Spokesman Suwit Yotmani Resigns

BK1412074590 Bangkok Domestic Service in Thai 0530 GMT 14 Dec 90

[Text] Suwit Yotmani, spokesman attached to the Prime Minister's Office, told reporters before noon today that he had submitted a letter to Prime Minister General Chatchai Chunhawan informing him about his past performance of Prime Minister's Office spokesman and requesting him to find someone else to replace him.

Suwit said that during the time he has worked in the post, he has received good cooperation from officials involved. However, he feels that there should be some improvement in connection with the particular duty. He said that since there have not been permanent government officials to work directly with the team of spokesmen of the Prime Minister's Office, government officials from other agencies have had to be borrowed for the purpose. He therefore feels that there should be a team of permanent government officials who can report directly to the prime minister so work can be carried out more efficiently.

The spokesman said today will be the last day of work for him in the particular post. In addition, he anticipated that formation of the new cabinet would be completed by next week.

On performing the duty as Prime Minister's Office spokesman, he said he sometimes felt uneasy because he was not able to disclose some incidents he had learned. He therefore felt that if he worked in this post longer he may say things more incorrectly.

In the end, Suwit said he knew nothing about the news that he would work in the Foreign Ministry after resigning as Prime Minister's Office spokesman. He said it might be just a rumor. He would like to take some time to relax after resigning before thinking of what to do next, he concluded.

Burmese Official Silent on Alternative Government

BK1412115090 Hong Kong AFP in English 1131 GMT 14 Dec 90

[Text] Bangkok, Dec 14 (AFP)—Burma's intelligence chief Major General Khin Nyunt refused to comment here Friday on the proposed setting up of a provisional government by pro-democracy leaders.

Maj. Gen. Khin Nyunt, believed to wield decisive influence behind his country's ruling military junta, ignored reporters' questions as he left Thai Supreme Command Headquarters after talks with General Sunthon Khongsomphong.

Members of Burma's opposition National League for Democracy (NLD), which swept general elections in May, recently revealed plans to set up an alternative government in hiding early next week following the junta's refusal to hand over power. The ruling military has arrested scores of NLD leaders and supporters since the elections in a bid to crush the pro-democracy movement.

But at least 12 MpS have fled to the Thai-Burmese border, where they intend to set up their government, and another eight are reportedly on the way.

Maj. Gen. Khin Nyunt arrived here Wednesday to visit the Asian Defense Services exibition and has been under heavy guard by Burmese and Thai security forces.

The shadowy officer heads the Directorate of Defense Services Intelligence (DDSI), which the London-based human rights group Amnesty International has accused of routinely torturing political detainees.

Journalists who tried to speak to him late Thursday at the Siam City Hotel where he is staying were forceably restrained by Burmese security guards stationed around the lobby.

The junta has made no comment since reports earlier this week on the proposed alternative government.

Last week the junta said it was hunting several NLD legislators labeled "absconders from justice," without giving further details.

Leading the fleeing NLD members is Sein Win, cousin of party leader Aung San Suu Kyi who has been under house arrest for more than a year. The politicians have been reportedly holding talks with the Democratic Alliance of Burma (DAB) in Manerplaw, just over the Thai border and under the control of Karen rebels, who have been fighting for independence from Rangoon for decades.

The DAB comprises 21 anti-junta organisations, including the Karens.

Following Friday's talks with Maj. Gen. Khin Nyunt, Gen. Sunthon denied the Burmese had asked for help in dealing with the pro-democracy movement, saying the issue was unrelated to Thailand so long as it was outside the country.

Thailand did not discuss political issues with the junta because "it is their internal matter," he added.

"We are in difficult position. On one hand we have Burmese pro-democracy students here whose human rights we have to respect, on the other hand we must maintain a good relation with our neighbor. But we do our best on this," he added.

Maj. Gen. Khin Nyunt is expected to return to Rangoon Saturday.

Prospects for Restoring U.S.-SRV Ties Viewed

BK1312111790 Bangkok Voice of Free Asia in Thai 1030 GMT 12 Dec 90

[Unattributed commentary: "Restoring U.S.-SRV Relations"]

[Text] U.S. Assistant Secretary of State Richard Solomon reportedly said recently that the United States hopes to restore diplomatic relations with Vietnam, noting that full diplomatic relations beween the two countries will be revived within two years if Vietnam takes effective action on the fate of some 2,300 U.S. MIA's from the Vietnam War, as well as taking any action that will advance a settlement of the Cambodian problem, enabling an elected democratic government to be established there.

The five permanent members of the UN Security Council endorsed a plan to end the 12-year-old Cambodian problem by empowering the United Nations to perform an administrative role in Cambodia during the transition period in order to create a truly neutral climate for organizing free and fair elections. A meeting, comprising 19 countries, will be held in Paris in January to adopt this peace plan. After the peace plan is endorsed or signed, the United States will begin direct technical negotiations with Vietnam on restoring bilateral relations, on human rights, and on developing a mechanism for setting up a U.S. embassy in Vietnam.

This schedule and framework for negotiations normalizing U.S.-SRV relations was the outcome of the meeting between U.S. Secretary of State James Baker and Vietnamese Foreign Minister Nguyen Co Thach in September. Relations between the two countries were disrupted in 1975 after U.S.-supported South Vietnam was defeated by North Vietnam, which then forced a bitter U.S. withdrawal from Vietnam and Indochina. Subsequent initiatives to restore relations were made but were stalled after the Vietnamese invaded Cambodia in 1978. The latest initiative to restore U.S.-SRV relations, therefore, represents a new U.S. step aimed at reviving good relations with the Indochinese countries, particularly Vietnam and Cambodia, following the break in 1975. This new step by the United States appears at a time when tensions in international relations have relaxed, bringing about enhanced dialogue between disputing countries, enabling them to resolve differences by diplomatic means, such as those between the United States and the Soviet Union, the Soviet Union and China, and between China and Vietnam.

By raising the Cambodian problem as one of the U.S. conditions for restoring relations with Vietnam, the trend toward returning peace to Cambodia has been enhanced. This comes on the heels of the recent deadlock resulting from the Vietnamese and Phnom Penh regimes adhering to their former stand of refusing to dissolve the Phnom Penh regime and accepting the UN administrative role in Cambodia during the transitional period before the general elections. This Vietnamese and Phnom Penh position amounted to a rejection of the document on the framework for settling the Cambodian problem worked out by the five permanent UN Security Council member countries and of the joint communique from the 10 September Jakarta meeting.

The U.S. decision to set conditions for negotiating with Vietnam has somewhat enhanced the hope that the current obstacles to a settlement of the Cambodian problem can be resolved, because the United States has the power to help economic reconstruction in Vietnam and can influence the IMF and the World Bank on economic assistance to that country. Moreover, the collapse of the communist system in Eastern Europe and the domestic problems in the Soviet Union will result in them giving less assistance to Vietnam, thus forcing that country to seek more assistance from the West and Japan.

There is no indication, however, that Vietnam is complying with the aforementioned U.S. conditions, as evidenced by Nguyen Co Thach's refusal on 10 December to endorse the UN Security Council permanent members' peace plan reached in Paris in November. Nguyen Co Thach said certain measures in the peace plan, which give considerable administrative power to the United Nations during the transitional period, constitute a violation of the UN Charter and would yield dangerous consequences. In reality, however, Vietnam fears that giving the United Nations too much authority could lead to the dissolution of the Phnom Penh regime, which it cannot accept.

The five permanent member countries in the UN Security Council accepted the UN administrative role in Cambodia because the United Nations is the international organization that could best play a neutral role, which will also be temporary in order to create an impartial political climate prior to the free and fair elections. After that the UN Transitional Authority on Cambodia will turn over administrative power to the political group that wins the election so it can draft a constitution and administer Cambodia in compliance with the wishes of the Cambodian people. For this reason, Vietnam should not fear that the UN role in Cambodia will amount to a violation of the UN Charter, because it is the Charter's firm objective to maintain peace and international security and oppose aggression by one country against another. Vietnam should not forget that the 12-year-old Cambodian problem began with the Vietnamese military occupation of Cambodia in violation of international law and the UN Charter. Although Vietnam announced the withdrawal of its forces in September 1989, there has been no international verification, and the Cambodian problem has dragged on until today. Therefore, a UN role in resolving the Cambodian problem is necessary to restore peace there.

Moreover, the Vietnamese regime's refusal to sign the draft peace plan of the five permanent UN Security Council members coincides with Hun Sen's visit to Hanoi to discuss the draft, thus indicating that Vietnam and the Phnom Penh regime have rejected the UN administrative role in Cambodia during the transitional period, which is a very important part of the peace restoration process. It also amounts to showing strong friendship between the two,which has involved a considerable investment on Vietnam's part over the past 12 years to prop up the Phnom Penh regime, despite world criticism and the violation of the UN Charter and international law.

Therefore, if the United States is to use the Cambodian problem as the major condition for negotiating the restoration of relations with Vietnam, it is unlikely that relations between the two countries can be revived in the near future, because it is unlikely that Vietnam will loosen its grip on Cambodia easily.

Japanese To Assist in Nuclear Research

BK1412104790 Bangkok Domestic Service in English 0000 GMT 14 Dec 90

[Text] Thailand is receiving assistance in nuclear research from international organizations in other countries.

According to the secretary general of the Office of Atomic Energy for Peace, Prakit Chunlawanit, cooperative programs have been set up with the Office of Power Reactor and Nuclear Fuel Development of Japan. The office will be sending its officials to help in the organization of a seminar on certain measures on radiation and uranium survey.

Besides, the Atomic Energy Research Institute of Japan has offered 100 scholarships for Thai students to conduct scientific researches in Japan in 1991. Thai officials will also participate in a consultation on nuclear cooperation in Asia to be held in March next year.

Mr. Prakit adds that those cooperative programs will enhance information exchanges, as well as efforts to seek alternative energy to compensate fuel oil.

Vietnam

Vietnam, Iraq Sign Consular Affairs Agreement

BK1412043890 Hanoi Domestic Service in Vietnamese 1430 GMT 12 Dec 90

[Text] In Baghdad on 26 November, Vietnamese Ambassador Pham Quoc Bao and His Excellency Widad 'Ali 'Ajjam, ambassador and director of the Iraqi Foreign Ministry's Consular Affairs Department, formally signed an agreement on consular affairs between the two countries. The document had been initialed in Hanoi on 16 October 1989.

Eighth National Assembly Session Continues

Communique 'No. 7' Issued

BK1412122990 Hanoi Domestic Service in Vietnamese 1100 GMT 14 Dec 90

[Communique No. 7 [as heard] of the Eighth National Assembly's eighth session]

[Text] The National Assembly held a plenary session at the conference hall on the morning of 14 December 1990 with National Assembly Vice Chairman Phung Van Tuu presiding over this session.

The National Assembly heard the following:

1. Comrade Phan Hien, minister of justice, on behalf of the Council of Ministers read a report on the draft law on private trade and the draft law on shareholding corporations. Comrade Mai Thuc Lan, deputy head of the Economic, Planning, and Budget Committee, on behalf of his committee read an investigative report on these two draft laws.

2. Comrade Doan Khue, deputy minister of national defense, delegated by the Council of Ministers, read a report on the draft law on amendments and supplements to a number of articles in the law on military service and the draft law on amendments and supplements to the law on officers of the Vietnamese People's Army. Comrade Nguyen Tai, deputy head of the Judicial Committee, on behalf of his committee read an investigative report on these two draft laws on amendments and supplements.

3. Comrade Le Quang Dao, vice chairman of the Council of State and chairman of the National Assembly, read a report on the activities of the National Assembly and the Council of State over the past three years and their course of action until the end of the term of office of the Eighth National Assembly; a report on the draft organizational and operating procedures of the Nationalities Council and the draft organizational and operating procedures of various standing committees of the National Assembly; and a report on the draft amendments and supplements to certain articles in the regulations on National Assembly deputies as well in the bylaw for National Assembly meetings.

The deputies worked in groups in the afternoon and they will hold a plenary session at the conference hall on the morning of 18 December 1990.

More on 13 Dec Plenary Session

BK1412075990 Hanoi Domestic Service in Vietnamese 1100 GMT 13 Dec 90

[Provincial deputies' comments at 13 Dec National Assembly Meeting]

[Summary] "On their eighth working day today, 13 December, the National Assembly deputies continued their plenary session at the Ba Dinh Conference Hall, under the direction of Chairman Le Quang Dao."

The National Assembly heard Phan Van Khai, chairman of the State Planning Commission, present the various courses of action to be taken under the socioeconomic plan for 1991, and Tran Hong Quan, minister of education and training, read a supplementary report on education and training. The deputies then discussed the 1990 socioeconomic situation and measures aimed at resolving socioeconomic problems in 1991.

Speaking on budget allocations for the 1991 socioeconomic development program, Deputy Nguyen Van Luong of Thua Thien-Hue Province stressed that "priority budget allocations should be given to production projects first and then to projects aimed at alleviating the difficulties facing ethnic minority compatriots and people in areas hit by natural disasters," that "funding for capital construction should be limited," and that "adequate budget allocations must be reserved for national defense and security."

Many deputies from Cuu Long, Dong Thap, and Thai Binh Provinces stressed the need to concentrate efforts on accelerating production and business operations in order to generate more capital for economic development.

The deputies unanimously agreed that effective anti-corruption and smuggling measures would surely help reduce the state budget constraints. Touching on this issue, Deputy Phung Quy Cac of Thanh Hoa Province stressed that "only when both upper and lower echelons take stern action against corruption and smuggling can there exist conditions for restoring the people's trust and maintaining social security and order."

Dealing with the same issue, Deputy Bui Si Tien of Thai Binh Province maintained that "the people's trust in the party and government depends largely on the success of the anti-corruption campaign" and that for this campaign to yield effective results, we must "motivate the people to participate in the anti-corruption drive," "define the order of priorities for anti-corruption work by the various agencies," and "muster highly professional cadres to deal once and for all with cases of corruption." Only by so doing can one restore the people's trust in the party and government step by step.

"At this morning's meeting the National Assembly deputies also gave their views on issues like wages, employment, the people's living standards, systems and policies toward the mountain regions, public health care service, education, and national defense."

Regarding wages, many deputies suggested that the Council of Ministers promptly work toward a reasonable solution to this urgent issue. Deputy Luong Xuan An of Song Be Province stressed that "along with the current policy of providing allowances to help state employees with their difficulties, quick measures must be taken to create the premises for formulating a wage adjustment policy to be promulgated publicly in 1991."

"This afternoon the National Assembly held a plenary session in the Ba Binh Conference Hall under the direction of National Assembly Chairman Le Quang Dao." After hearing Nguyen Hoa, acting chairman of the National Assembly Planning, Economic, and Budget Commission, present a number of issues related to the 1991 budget, the deputies continued their discussions on socioeconomic objectives and measures for implementing the 1991 socioeconomic development plan.

"The National Assembly heard dissertations delivered by Dao Tuan Loc, deputy from Phu Yen Province; Nguyen Van Bo, deputy from Quang Binh Province; Nguyen Thi Kim Dung, deputy from Binh Dinh Province; Lu Giang, deputy from Hanoi City; Nguyen Thanh Lam, deputy from Ho Chi Minh City; Tran Mai Huong, deputy from Hai Phong City; Nguyen Duy Thang, deputy from Dong Nai Province; Ha Thi Thu Suong, deputy from Quang Nam-Da Nang Province; Nguyen Ngoc Khoa, deputy from Ha Son Binh Province; Phan Van Loi, deputy from Tay Ninh Province; Pham Nhu Cuong, deputy from Nghe Tinh Province; Duong Viet Trung, deputy from Hau Giang Province; Le Thanh Tu, deputy from Thanh Hoa Province; Nguyen Thi Mai Thanh, deputy from Ho Chi Minh City; and Dam Van Nguyen, deputy from Bac Thai Province."

"Tomorrow, 14 December, the National Assembly will continue its plenary session at the Ba Dinh Conference Hall."

13 Dec Proceedings Updated

BK1312145890 Hanoi Domestic Service in Vietnamese 1430 GMT 13 Dec 90

[Text] Today, on its eighth working day, the National Assembly continued its plenary session at the Ba Dinh Conference Hall in Hanoi under the direction of Chairman Le Quang Dao.

In the morning sitting, the National Assembly heard Phan Van Khai, chairman of the State Planning Commission, read a supplementary report on various courses of action to be taken under the 1991 socioeconomic plan; and Tran Hong Quan, minister of education and training, read a supplementary report on education and training. The deputies then discussed the budget, measures aimed at resolving socioeconomic problems in 1991, and the courses of action presented by the State Planning Commission.

In the afternoon sitting, the National Assembly heard Nguyen Hoa, acting chairman of the Economy, Planning, and Budget Committee of the National Assembly, report on some issues concerning the 1991 budget. It also discussed various socioeconomic targets and measures aimed at fulfilling the 1991 plan.

Of the 37 deputies scheduled to speak, 30 expressed their opinions today; the remaining seven will present their views in writing. The deputies focused on proposing measures aimed at resolving difficulties in production and satisfactorily fulfilling the 1991 socioeconomic plan. Many deputies proposed that the problem of wages for cadres, civil servants, and workers be resolved at an early date, that employment be created, that the decline of public health care and education be checked, and the the struggle against smuggling and corruption be continued.

Tomorrow, 14 December, the National Assembly continues its plenary session at the Ba Dinh Conference Hall.

Regional Commander Views Mekong Delta Defense

BK1312161790 Hanoi Domestic Service in Vietnamese 2330 GMT 9 Dec 90

[Article by Lt. Gen. Nguyen De, 9th Military Region commander: "The 9th Military Region Builds Defense Positions in the Mekong River Delta"]

[Text] At a seminar on the traditions of the 9th military region's armed forces held in August 1990, the party committee of the military region command and the comrade cadres and revolutionary veterans of the former 8th and 9th zones concluded that through the 45 years of development and fighting, the 9th military region has acquired six traditions. These six traditions interpret the characteristics of a military region in the Mekong River Delta and substantiate the nine common traditions of the heroic Vietnam People's Army [VPA].

To more satisfactorily develop these glorious traditions, cadres and combatants in the entire military region have accelerated the determined-to-win emulation movement. To prepare for the seventh national party congress of delegates, since early this year the party committee of the military region command has concentrated on guiding and supervising the military region's armed forces in performing the following urgent and important tasks:

—First is the building of defense positions in the entire military region as well as in every city and every district in compliance with the spirit of Resolution No. 2 of the party Central Committee Political Bureau. This is aimed at helping to frustrate the enemy's perfidious sabotage and peaceful evolution strategy. To date, seven out of eight provinces in the military region have completed defense training work. An Giang will be the last when this work is finished in its 40 villages and city wards in December of this year.

—The plan for building defense positions should involve conducting training at provincial and district levels along with fortifying villages and hamlets, stepping up production, and intensifying order and security at the grass roots. At first, some localities failed to fully realize the importance and the practical benefits of defense training. But all localities now have discovered that defense training is a necessity. This is because through defense training, they can further consolidate national security defense, build political bases in villages and hamlets, and foster a sense of vigilance among the masses.

To date, various organs in the 9th military region have been creating a contingent of cadres capable of helping all localities mobilize men and stand ready for combat. Based on defense training conducted in seven provinces, we suggest that we apply the system of leadership by the party and management by the administration with various committees, sectors, and mass organizations joining in participation and the military and public security organs acting as advisers and unified commanders of the armed forces in work related to defense and the suppression of rebellions. Only in this way can we create integrated strength of combat positions for people's warfare and all-people national defense.

To develop their key role in building combat positions for people's warfare and all-people national defense, over the past year or more the militia and self-defense forces have been reorganized in the direction of considering quality as the main objective. To date, only 1.8 percent of the militia and self- defense forces in the entire military region—which represent more than 10 percent of the local population—have not yet been further consolidated. But the quality and efficiency of their coordination with the public security and border defense forces in maintaining political security and social order and safety at the grass roots are better than in the past.

All villages, city wards, organs, and enterprises now have combat-ready militia units at platoon or company sizes operating under the direction of a unified command, which is composed of members of the militia, public security, and border defense forces. Military party committees and party control committees at city and district levels have begun to put their activities onto the right track. All village and city ward party committee secretaries are concurrently political instructors of village and city ward units. The militia and self-defense forces in the coastal and border areas and on offshore islands have also carried out their activities satisfactorily during the past two years.

A conference held early in November this year between the 9th military region and various provinces affirmed that on the basis of good quality, the numeric strength of the militia and self-defense forces could be increased by two to three percent compared with the population, and that those in the coastal areas, on offshore islands, and at sea in particular should be increased by a higher percentage. The conference submitted to the Ministry of National Defense and Council of Ministers various matters related to the policy toward militia and self-defense, as well as issues concerning operational expenses for local military activities. It also suggested that the Ministry of National Defense and the Council of Ministers study and enforce unified regulations for coordinated activities at sea.

The military region headquarters—in building the militia, self-defense, and reserve mobilization forces, as well as in implementing the policies of the Army's rear service, security, and national defense as a whole over the past two years—has held many symposiums in direct contact with various district, township, and city authorities, including military and police agencies, party committees, and local administrations.

In early 1990, the military region headquarters held a meeting with district and provincial representatives to discuss measures to build economic units in combination with national defense. As yet, each province has established one or two battalions similar to the original 514th Battalion of Tien Giang Province. Nearly all districts have each a platoon or squad which works to support itself and conducts training to maintain its combat readiness quite satisfactorily.

As for regular Army units, they continue to accomplish the campaign norms for building comprehensively strong and firm regiments which was launched in 1989. At the same time, agencies and units in the military region are carrying out two drives to purify the party and struggle to remain worthy of Uncle Ho's soldier title. All of these are aimed at achieving the goal of building firm, strong and standard armed forces, an important duty on which the military region headquarters is focusing its leadership.

Implementing the party Central Committee's eighth plenum resolution, a movement is taking place in the 9th military region to motivate the masses to conduct field training. Thus far, troops from the military headquarters down to primary units of both regular and local forces have been alternately sent deep into rural areas for training purposes in combination with mass motivation. Depending on the status of units, each field trip may last from half a month to two months. Troops have helped the people in productive labor and together with the local administration have conducted propaganda to enlighten the masses politically, helped consolidate the militia and self-defense forces, participated in the Army's rear service tasks, and completed the program of military and political instruction in combination with practical training.

In those villages and hamlets with ethnic Khmer people such as those in Cuu Long, Hau Giang, and Kien Giang Provinces, and with religious dignitaries such as those in Dong Thap, An Giang, and Kien Giang Provinces, the people-Army relationship is even closer and warmer. In many places, the people have requested troops to remain forever. Through these field trips, troops have become more disciplined and have forged their combat ability, while the local administration and people have become attached to troops and have better loved Uncle Ho's soldiers. This has symbolized the traditional blood-sealed solidarity between the armed forces in the military region and the party organization, administration, and people in the Mekong Delta throughout the past 45 years.

In order to increase the combat strength, the most pressing problem now is to self-reliantly enhance the material and moral lives of cadres and combatants. In 1990, besides the activities of the Western General Corporation, all regular and local units in the military region have accelerated their family-based production movement. Products worth hundreds of millions of dong have been turned out locally to further improve the troops' diets and help fulfill prescribed policies and some of the cultural and sport requirements. Particularly, the 4th Division that returned from Cambodia more than a year ago has grown eucalyptus plants on more than 500 hectares of brackish soil in the quandrangular Long Xuyen zone. These are the symbols of traditional self-reliance and self-support in the 9th military region armed forces.

Social ideologies, economic difficulties in the country, and complex developments in the world and regional situation are daily and hourly bearing quite an impact on the minds and feelings of cadres and combatants in the military region. Apart from these, the enemy plots and maneuvers remain unchanged vis-a-vis the Vietnamese and Indochinese revolution. Therefore, to practically prepare for the seventh party congress, regardless of difficulties and dangers and with a tactic based on the people's sympathy in the defense plan which is being established and consolidated, the 9th military region armed forces pledge to maintain their blood-sealed relations with the party organization, administration, and people of the Mekong River Delta. They also resolve to do their utmost to fulfill well all the tasks assigned them by the party and Army to remain worthy of their six glorious traditions and absolutely loyal to the objectives and ideals of the party and Uncle Ho, and to fight unselfishly for independence, freedom, democracy and socialism, and for the people's interests.

Party Leader Sends Message to Angolan Labor Head

BK1412105390 Hanoi Domestic Service in Vietnamese 2300 GMT 13 Dec 90

[Text] On 12 December, Comrade Nguyen Van Linh, general secretary of the Central Committee of the Vietnam Communist Party sent greetings to Comrade Jose Eduardo Dos Santos chairman of MPLA [Popular Movement for the Liberation of Angola] Party of Labor on the latter's reelection as the party's chairman. The full text of the greeting was as follows:

"On the occasion of your reelection as the chairman of the MPLA Party of Labor by the Third Party Congress, I would like to send my warmest greetings to you. I wish you well so that you and the party Central Committee will lead the Angolan people to score new achievements in the striving to rebuild the country, defend, and solidify national unity for democracy, advancement, and social justice.

Please receive here my brotherly salutation.

Joint Oil Exploration With USSR Updated

BK1412065190 Hanoi Domestic Service in Vietnamese 0500 GMT 11 Dec 90

[Article by station correspondent Quang Huy: "Five Million Tonnes of Crude Oil—The Continental Shelf Door Has Opened"]

[Summary] "On 5 December, the joint Vietnamese-Soviet oil and gas venture officially announced that the five millionth tonne of crude oil has been completed. This is good news. It tells us that the door of our continental shelf which was long a mystery, has begun to open a little." Our delegation of newsmen was lucky to witness this event and to be briefed by brother Du, the chief of Vietnam Petroleum General Corporation's office, on the history of our country's oil sector which was started in 1961 by the 36th survey team of the general geology department. "In 1979, a mine of approximately 2 billion cubic meters of natural gas was discovered in Tien Hai District, Thai Binh Province. In 1986, the first oil exploration started and oil was discovered 130 kilometers offshore at Bach Ho mine."

"At present, seven foreign companies have signed contracts for exploring oil and gas on the continental shelves of the southern part of the country. Thus far, only a few companies have been lucky in finding oil. Other companies have spent 4 or 5 million U.S. dollars in drilling but have not found oil." The currently exploited Bach Ho oil well is "the only well that has yielded 5 million tonnes of oil. This characteristic of the continental shelves we have discovered is also a mystery, compared with continental shelves of many other oil-producing countries.

"It should be added that we are extracting daily from the well more than 8,500 tonnes of crude oil valued at millions of U.S. dollars. There are many possibilities that this year, the joint venture will fulfill its plan for extracting from 2.5-2.8 million tonnes of crude oil valued at $300-400 million."

The joint venture recently dug a second oil well, "the Da Rung well located at 150 km or more offshore. Of the seven foreign companies that have signed oil exploration contracts with our country, one company has discovered a small deposit of oil. This means it has not hit the right spot.

"Our country needs oil. With the current Gulf crisis, we need oil even more. Many oil strategists have predicted that we are exploiting each year about 3 million tonnes of crude oil. Until the last year of the five-year 1991-95 plan, the volume of our crude oil production will reach 8-10 million tonnes." Our crude oil has a higher paraffin ratio than Middle East oil, and thus has more value in the oil refinery industry.

With the 5 millionth tonne of crude oil, the hardship period of exploration with ordinary facilities has ended. Vietnam's oil and gas sector is at a great turning point where it can become a modern industry.

Oil Company Fulfills 1990 Production Plan

BK1212103090 Hanoi VNA in English 0707 GMT 12 Dec 90

[Text] Hanoi VNA December 12—By December 8, 1990, the Vietnam Oil and Gas Company (Petrovietnam) had tapped 2.5 million [metric] tons of crude oil, fulfilling its 1990 plan 22 days ahead of schedule.

More than 40 wells of the Petrovietnam are operating at the Bach Ho Oil Field with a daily capacity of 8,500 tons.

The company is striving to exploit from 160,000 to 200,000 more tons of crude oil for the rest of the year, creating good premises for the fulfillment of the 1991 plan for 3.5 million tons of crude oil.

Commercial Cooperation With India Expanded

BK1412081090 Hanoi VNA in English 0701 GMT 14 Dec 90

[Text] Hanoi VNA Dec. 14—The Projects and Equipment Corporation of India Ltd. (PEC) signed here yesterday documents on the implementation of a commerce protocal with the Vietnam National Complete Equipment Import and Technical Exchange Corporation (Technoimport) and a railway contract with the Vietnam Railway Supply Import and Export Corporation (Virasimex).

The PEC has established trade relations with Vietnam since 1977. It has so far provided the Vietnam Railway Service with 15 diesel locomotives, 1,280 cargo wagons, 1 50 [figure as received] passenger carriages and spare parts, modernized the Nam Dinh textile mill, and installed three black tea processing lines in Vietnam. It has also provided experimental equipment for the Milch Buffaloes and Pasture Research Centre in Song Be Province and the Reed Research Centre in Cuu Long Province.

Radio, Television Transmission Output Increased

BK1412100890 Hanoi Domestic Service in Vietnamese 1100 GMT 13 Dec 90

[Text] The Radio and Television Broadcasting Technique Department of the General Corporation of Posts and Telecommunications has made many efforts to improve the technical quality of various radio and television programs. At present, the post service has introduced high quality ultra-shortwave FM transmissions based on the frequency modulation technique.

The department has concentrated its technical and financial resources on improving the Tam Dao transmission station. At the same time, it has built a broad-band microwave transmission line for color television signals-from the Giang Vo Center in Hanoi to the Tam Dao station, increasing the station's output to 18 kilowatts from its original output of 10 kilowatts. This will enhance resolution and improve the sharpness of television reception. All these efforts will help extend the radius of television broadcast and enhance reception quality in the Bac Bo delta and midlands.

The department is building in Hanoi a new television transmission station with a 116-meter antenna tower. It plans to acquire a 10-kilowatt television transmitter capable of VHF and UHF transmissions to further improve the quality of television and FM radio broadcasts.